The “Dream” Team? Immigrants, Multilevel Marketing and Integration

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ABSTRACT

The continuing undervaluing of the credentials and skills that granted new Canadian immigrants with college and university education admission into Canada as skilled immigrants negatively impact their integration into the formal labour market. The result is that many then settle for low skilled precarious employment in the formal labour market, which exposes them to cycles of precarity through unemployment, underemployment, and low income. In order to advance, some turn to the more accessible employment in multilevel marketing (MLM) that operates on the democratic principles of equality, liberty, and empowerment. This study examines whether the lack of integration provides a push into MLM and how such engagement in MLM impacts the integration and overall well-being of immigrants. Expanding the discussion of precarity beyond the formal labour sector, the study also evaluates the precariousness of work in MLM. To this end, political economy serves as the overarching analytical framework. The study also draws upon insights from Boltanski and Chiapello (2006), Boltanski and Thévenot (1999), Weber (1905/2002), Barth (1981) and Tocqueville (1835/2004) to supplement the political economy perspective. While Barth and Tocqueville provide a basic understanding of attitudes and predispositions that regulate actions and interactions in advanced democracies, including the imperative to network, Boltanski and his respective works with Chiapello and Thévenot outline the rationalities for understanding action within a system of coexisting values. In addition, Weber's writing provides the means to connect these various strands. Drawing from in-depth qualitative interviews with current and former MLM participants, findings from the study show that immigrants who opt for MLM work are encased in a cycle of precarity and 'double jeopardy', by which the supposed solution to the precarity in the formal labour market complicates and, indeed, becomes the problem. This is because instead of fostering a pathway for immigrant integration, MLM serves as an impediment as it exhibits enhanced characteristics of the precarious employment that thrives in the formal sector.

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CHAPTER 1

CONTEXT, PURPOSE, AND METHODOLOGY

> *"Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment"* (Universal Declaration of Human Rights: Article 23.1)[1]

1.1 INTRODUCTION

The labour market experiences of recent immigrants to Canada remains a focus of numerous studies and analyses by various interest and advocacy groups and academic researchers, particularly in terms of the economic and social impacts of the underutilization of the skills immigrants bring to Canada (Agopsowicz and Billy-Ochieng 2019; Yssaad and Fields 2018; Frank and Hou 2017; Ci and Hou 2016; Bonikowska, Hou Picot 2015; PEPSO 2015, 2013; Reitz, Curtis and Elrick 2014; Oreopoulos 2011; Preston et al. 2011; Zietsma 2007; Galabuzi 2006; Reitz 2005). A recurrent finding is that, on arrival, the bulk of new immigrants encounter difficulty finding work appropriate to their imported credentials and skills in the mainstream labour market (Ibid). To meet their economic and social obligations, they settle for jobs that undervalue their credentials or, in the alternative, embark on entrepreneurial activities for which they may be ill-prepared (Ibid). One such entrepreneurial venture is in network[2] or multi-level marketing, a part of the informal sector not effectively[3] regulated (Salaff, Greve and Wong 2007). The fact that the same credentials being devalued are standard requirements for admission into Canada under the skilled immigrant category underscores the irony and tragedy of the situation both for immigrants themselves and

Canada as a country (Agopsowicz and Billy-Ochieng 2019; Lu, Yao and Hou 2019; Yssaad and Fields 2018; Wilkinson et al. 2016; *Premji et al. 2014*; Desjardins 2011). Set in this context, *the overarching focus of this dissertation is to examine the relationship between the poor economic integration of new immigrants in terms of securing appropriate employment and their participation in multilevel marketing (MLM).* The principal research question is: *how does working in multilevel marketing (MLM) impact the overall wellbeing and integration of recent immigrants to Canada?* We begin by establishing whether new immigrants' entrance into multilevel marketing (MLM) results from poor economic integration into the formal labour market. Then, we examine the extent to which this alternative form of work fosters their integration. The objective ultimately is to consider whether MLM could be an effective complement to the formal labour market in helping new immigrants integrate economically.

1.2 RESEARCH PROBLEM

The research problem for the study develops from the following context:

a) The socio-economic conditions recent immigrants find themselves in when unable to find appropriate employment in the Canadian labour market. For them, this presents a dilemma that requires resolution - temporary or permanent.
b) The "resolution" of this dilemma through engagement in MLM, which is a poorly[4] regulated sector of the economy.

The specifics of this context follow below.

1.2.1 The Dilemma of Immigrants' "Condition"

Canada, like other post-industrial economies in the west, relies on the continual inflow of skilled immigrants for sustained development and growth (AMSSA 2018; Ci and Hou 2016; Picot, Morissette and Lu 2013; Preston et al. 2011). Reiterating this fact at a recent event[5], the Minister of Immigration Refugees and Citizenship (IRC) Mr. Ahmed

Hussen, declared: “[t]throughout our country’s history immigration has enriched Canada economically, culturally, and socially. Immigration has been an important tool to fill unfilled jobs, but [sic] to also *bring much-needed skills that create jobs for Canadians* [italics added]”. Continuing, Minister Hussen asserted that Canada’s aging population and decreasing birth-rate make attracting immigrants who can contribute to the economy on arrival a necessary and continuing government policy. The sustained goal of IRCC, the Minister said, is to “uphold the objectives for immigration in accordance with the law, and to do so in a way that *balances the benefits of immigration with its costs*” [italics added] (Annual Report to Parliament on Immigration 2017[6]). This means admitting immigrants that can begin to contribute to our economy with minimal, if any, expenditure in training or education[7]. In this, Canada is an unparalleled success evidenced by OECD’s[8] 2019 commendation of Canada’s labour migration system as comprehensive, responsive, and a global model for immigration management (Agopsowicz and Billy-Ochieng 2019).

Canada’s model for immigrant selection and admission is premised on three fundamental foci, which are: (a) to sustain and enhance economic development; (b) family reunification; and (c) humanitarian grounds. Comprising three main subdivisions, generally referred to as *Economic Class*[9] immigrants, those in the first category consistently dominate the admission rates. The priority placed on this class is apparent in its progressive contribution to each census cycle from 12.3% in the 2001-2005 cycle to 14.0% between 2006-2010 and 16.1% in 2011-2016[10]. For example, of the 1.2 million[11] recent[12] immigrants recorded in the 2016 census as admitted into the country five years earlier, 155,994 (i.e., 49% females and 51% males) were Economic Class

immigrants. Most of these[13] (60.3%) came through the competitive *Express Entry* program[14] reserved for selecting the most highly educated and talented[15] foreign individuals with managerial skills as federal skilled workers (48%) and provincial-territorial nominees (27.3%). Owing to the sustained policy initiative of the late 1960s that extended immigration to skilled applicants from outside the traditional European source countries, these were primarily from countries in Asia[16] (61.8%) and Africa[17] (13.4%). As source continents for new immigrants, the profiles of Asia (in particular) and Africa (to a lesser degree) have witnessed increasing upticks since the 1990s. This has amplified the diversity[18] of the Canadian population in general, particularly in key cities such as Toronto, Calgary, Montreal, and Vancouver, which are preferred settlement destinations for newcomers (Frenette 2018; Bonikowska, Hou and Picot 2015).

The policy of building and maintaining a skilled workforce to address immediate and longer-term labour market needs focuses on attracting foreign-born educated and skilled individuals in the prime working ages of 25 to 45 years as permanent immigrants (Annual Report to Parliament on Immigration 2018, 2017; Hou and Picot 2016). The substantial component of economic class immigrants is the Federal Skilled Worker Program (FSWP) and its Provincial/Territorial Nominee Program (PNP) variant. Both select immigrants with skills in managerial, professional, and high-skilled occupations based on assessed abilities to become economically established in Canada. Admission to this elite class is premised on the points system that rewards specified human capital criteria of education, age, language skills, job offer, provincial-territorial nomination[19] etcetera in variable disciplines and skill areas periodically identified as beneficial to the

economy (Agopsowicz and Billy-Ochieng 2019; Annual Report to Parliament on Immigration 2018, 2017). Operationally, this means that for each cycle, different types of credentials may be given preference as deemed essential for the economy. Therefore, immigrants with specified credentials - say in technology or healthcare - may be given preference in the selection process in one cycle and those in other fields, perhaps education or mathematics, in another cycle. Nevertheless, admissions tend to skew favourably towards healthcare and STEM (sciences, technology, engineering, and mathematics) professionals[20] (Picot and Hou 2019). On landing, the expectation is that selected skilled immigrants will be ready and able to fend for themselves as they integrate into the labour force. However, the knotty issue for immigrants on landing is that their expected absorption into employment aligning with their skills by which they can realistically provide for themselves is bleak. Preston *et al.* (2011:3) refer to this as the "hardest integration task." Thus, for new immigrants, the elation and optimism of greener pastures represented by the opportunity to move to a promising and internationally acclaimed host country such as Canada gradually deflates, giving way to a crisis of survival owing to challenges to their transitioning into employment that aligns with their imported credentials (Yssaad and Fields 2018; Hou and Picot 2016; Wilkinson et al. 2016; Premji et al. 2014; Creese and Wiebe 2012; Oreopoulos 2011). This is the persisting "condition" of new immigrants that requires resolution.

Perpetual and unsettling, this dilemma has been documented historically through the lens of unemployment and under-employment. For example, a 2007 Statistics Canada survey of Canada's labour market (Zietsma 2007:13) found that the cohort of *recent*[21] immigrants in the "core age" group (25-54 years) who "landed between 2001

and 2006, had the most difficulty integrating into the labour market" with a national unemployment rate of 11.5%, as compared to 4.9% for the Canadian-born population within the same age group. The unemployment rate for the earlier cohort (those who landed between 1996 and 2001) was 7.3%; this is also well above the relative 4.9% for their Canadian-born counterparts. This was also the situation in 2011, with an unemployment rate of 13.6% against 5.5% for their Canadian-born counterparts (Yssaad 2012:11-12). The situation remained relatively the same in 2017 for recent immigrants in the same core age group, who had a 9.6% unemployment rate compared to 5% for their Canadian-born counterparts (Yssaad and Fields 2018). Interestingly, the 2017 unemployment rate was deemed positive for both immigrants and Canada. According to Statistics Canada, it was the first time that the unemployment rate for recent immigrants in the core age group had fallen below double digits since 2006 (Yssaad and Fields 2018). The fact that Mr. Hussen, in his report to parliament in 2018, considered this a cause for celebration indicative of increased integration of recent immigrants into the Canadian labour force attributable to interventions initiated by his leadership attests to the troubling persistence of the problem of immigrant integration and its possible normalization. Notwithstanding, as of December 2019, the immigrant unemployment rate had inched back to double digits (10.3%),[22] though it still remained below the 2006 benchmark. Table1.1 (Yssaad and Fields 2018:17) summarizes the abysmal history of unemployment-employment data for recent immigrants with university education between 2006 and 2017:

Table 1.1 - Unemployment and employment rates of core-age population with university degree by immigrant status in Canada for 2006 to 2017

	Unemployment rate			Employment rate		
	Landed Immigrants	Immigrants Landed 5 or less years	Born in Canada	Landed Immigrants	Immigrants Landed 5 or less years	Born in Canada
	percent					
2006	6.4	11.8	2.8	80.2	67.8	90.5
2007	5.9	10.7	2.4	80.9	67.1	90.7
2008	6.5	10.8	2.8	80.1	68.7	90.3
2009	8.9	13.8	3.3	78.1	66.7	89.9
2010	8.7	14.4	3.5	78.2	65.7	89.9
2011	7.6	13.1	3.3	78.8	64.8	90.2
2012	7.9	12.2	3.1	79.6	69.7	90.9
2013	7.2	11.6	2.8	79.9	68.3	90.9
2014	7.2	11.9	3.0	79.1	66.0	90.6
2015	7.1	11.2	3.2	79.6	67.8	90.9
2016	6.7	10.9	3.1	80.6	70.3	90.8
2017	6.1	9.7	2.9	82.1	72.2	91.4

Source: Table 14-10-0087-01 (formerly CANSIM table 282-0106)

There is no gainsaying, therefore, that unemployment and, at best, underemployment is a part of the landing experiences of new immigrants and continues to persist several years after landing in Canada. The especially disturbing fact is that having been selected for their high credential profiles, landed immigrants with university degrees and high professional experiences end up working in jobs requiring only high school education and, at times, even no education at all (Ci and Hou 2016; Preston et al. 2011; Oreopolous 2011). This problem is persistent and the subject of continuous research by scholars (Preston et al. 2011; Oreopolous 2011) and advocacy groups (PEPSO 2015, 2013; Law Commission of Ontario 2012). It is also one about which senior policy makers had expressed concern but without effective mitigation. For example, in 2008, Mr. Kenney, the then Minister of Immigration, eloquently lamented the unwholesomeness of the immigrant dilemma at a seminar for immigrant professionals, saying:

> We welcomed an unprecedented 519,722 newcomers to Canada in 2008, the largest number in Canada's history… We all know the tragedy of so many people, perhaps some of you, who have arrived in the country with the hope and promise of working in your chosen profession, who have ended up in survival jobs or being underemployed as it relates to your skill level[23]

However poignant, the Minister's statement merely reiterated issues already and repeatedly identified by scholars, which is that because the majority of immigrant professionals are disadvantaged in the labour market, they settle for employment well below their credentials (Ci and Hou 2016; Wilkinson et al. 2016; Zietsma 2010, 2007; Galabuzi 2006; Li, Gervais and Duval 2006; Galarneau and Morissette 2004). The continuing situation underscores the urgent need to move beyond rhetoric and facile[24] celebrations to tangible, accessible, and assessable solutions that end new immigrants' resource underutilization, skills wastage, and brain drain (Agopsowicz and Billy-Ochieng 2019; Picot, Hou and Qiu 2016; Galabuzi 2006; Warner 2001). Amplifying the obvious, Picot, Hou and Coulombe (2007:5) had noted that, "If immigrants are unable to convert their training to productive use, the expectations of both the host country and the arriving immigrants remain unmet". This was echoed by Royal Bank of Canada (RBC) economists Agopsowicz and Billy-Ochieng (2019:5), who approximated the cost of the resource wastage to Canada to be $50 billion or 2.5% of GDP. However, for immigrants, the issue goes beyond simply unmet expectations and resource wastage to one of a vital quest to survive and thrive. In other words, it is in the realm of basic livelihood requiring employment - any employment - that trumps their desire (to hold out) for more equitable employment and remuneration matching their credentials.

Hence, faced with limited employment options, immigrants look to the so-called *survival jobs* referenced in the ex-Minister's speech above, and these are typically

precarious (Cornelissen and Turcotte 2020; Creese and Wiebe 2012; Galabuzi 2006; Salaff et al. 2007). As will be discussed in Chapter Two, in addition to being poorly remunerated, such jobs are low-skilled, unstable, often unsafe, and result in physical, psychological, and economic stresses (Kalleberg and Vallas 2018; Vosko 2010; Standing 2008, 1999). Alternatively, some immigrants are said to embark on entrepreneurial activities to escape unemployment and survival jobs (Greve and Salaff 2005; Salaff et al. 2002:61; Li 2001). An easily accessible *entrepreneurial* option that requires little or no start-up capital is multilevel marketing (MLM), the focus of this study.

1.2.2 Multilevel Marketing as "The Solution"

MLM is the predominant form of direct selling that organizations use to move their products and services to consumers. Direct selling itself is usually defined simply as the person-to-person retail channel used by large and small companies to sell consumer products and services away from fixed retail locations (DSA[25]; Ferrell. 2010, Duffy 2005). Direct selling in general, takes the forms of single-level marketing (SLM) and multi-level marketing (MLM), both of which overlap in some aspects. The most basic overlap is that the two forms involve earning income through commissions as compensation for selling products and services on behalf of companies that are then able to enhance their profits through cost containment on retail overheads, warehousing, advertising, administrative overheads, employee benefits, and wages, etcetera. In terms of the relationship to the companies whose products they sell, both SLM and MLM direct sellers are not employees of the companies, and they typically earn no wages nor do they have access to the benefits available to employees of the companies. Thus, in both SLM and MLM situations, interactions with the respective

companies centre strictly on payment for the volume of products they move from the company to consumers. Being independent, they typically[26] bear their own cost overheads, such as transportation and marketing, etcetera, and are responsible for allied risks (damage, theft, etc.). Both forms of direct selling employ only the selling and marketing methods authorised by the allied organizations (MMOs) whose products they sell. These could be door-to-door, through party-plans or product demonstrations online, in-home, or at public venues. What sets SLM and MLM apart is the *system of compensation* that determines their respective structures.

In the SLM situation, an individual earns commissions on sales or mark-ups, which is the difference between the wholesale price from the company and the retail price to the consumer. The individual engaged in SLM depends only on solo efforts to generate sales and allied revenue. In this way, the SLM worker is somewhat similar to the independent contractor. Contact with the company whose product s/he sells is direct. Such a person could choose to terminate the relationship with the company at will and vice versa without incurring any losses except for the loss of revenue accruing from the pay-for-performance relationship.

In MLM, the pay-for-performance relationship expands the SLM plan. It permits authorized autonomous salespersons to recruit and draw commissions from their own sales and the cumulative sales of those they recruit[27] to do the same (Bosley and McKeage 2015; Cahn 2008; Bone 2006; Kong 2003; Poe 1999). In turn, these salespersons recruit and garner income from their own recruits who they also train and encourage to do the same in a never-ending system of recruiting and training sandwiched between marketing and selling of allied products and services. Thus, a

complex tiered network of persons linked to the original recruiter at the top as the beneficiary of traceable linkages develops, creating other networks that branch out, and so on. The complexity resides in the linkage processes by which each branch, as a new tier, establishes its own sub-branches from which to derive benefits. Each new branch remains indelibly linked to its immediate recruiter, which is itself linked to networks of recruiters up the line. Persons involved in this type of work see themselves as - and are generally referred to as - *independent entrepreneurs, distributors, or business owners* akin to entrepreneurs in the formal sector, albeit without the typically high and unaffordable start-up investment capital. However, as they are not considered employees of the companies whose goods and services they market and sell, MLM workers have no set wages, no guaranteed income, and no access to employee benefits potentially available to those in formal sector jobs, including those directly employed by the MLM companies they affiliate with (ibid). As bespoke entrepreneurs, they cultivate and advance their earnings by recruiting and building networks of sales personnel who they *mentor* and encourage to do likewise, structured around complex hierarchical networks of socio-economic interdependencies factored on individual efforts and abilities. MLM was formalized in North America in the 1950s and enjoyed rapid growth in the decades since (Keep and Vander Nat 2014; Sparks and Schenk 2006, 2001; Coughlan and Grayson 1998).

Industry analysts, however, point out that while MLM continues to experience significant growth, the sector itself remains plagued by controversies as its fortunes are said to advance more in periods and places where the economy contracts (Chan 2013; Cahn 2008; Bone 2006; Kong 2003; Vander Nat and Keep 2002; Poe 1999; Coughlan

and Grayson 1998). The simplicity of entry that requires no credentials (i.e., essentially no specific type of experience, skill, or knowledge) and no significant start-up capital investment makes it particularly attractive and viable in periods when other forms of employment are scarce (Ibid). This describes the endemic situation of the vast majority of new immigrants who are unable to find equivalent employment in the formal labour market (Ci and Hou 2016; Creese and Wiebe 2012; Zuberi and Ptashnick 2012; Grant and Shevaun 2007; Anisef, Sweet and Frempong 2003).

Considering the above, this study seeks to ascertain, among other things, whether immigrants opt for MLM because they are unable to find acceptable employment in the formal labour market and, if so, how they fare therein. The diagrammatic expression of the key problematic is captured in Figure 1.

Figure 1 - The MLM Push-Pull Factor

Ultimately, the issue is about *choice* in terms of whether immigrants who engage in this type of work are exercising their agency unencumbered, or whether they feel compelled to go for MLM to circumvent the structural barriers that limit their access to commensurate employment. In other words, are they exercising unfettered choice such that if they had access to commensurate employment, they would still choose MLM? If they would, are there characteristics that make MLM preferred vis-à-vis mainstream employment despite its non-standard conditions of engagement? The fact that industry analysts express concerns that its remuneration and working conditions are unregulated and unstable invites examining whether participation therein hurts immigrants'

integration process (Ci and Hou 2016; Bone 2006; Bhattacharya and Mehta 2001; Stanford 2001). Premised on findings which assert that immigrants gravitate towards people from similar ethnic backgrounds as a way of settling into their new environment (Frenette 2018; Salaff, Salaff et al. 2007; Wong 2000), it is important to also identify how the relationship with MLM is initiated and advanced. This is regarding whether immigrant MLM workers were steered towards MLM by their immigrant (or ethnic) networks. If so, the stage(s) in their settlement processes this occurs is relevant.

In 1998, a comprehensive landmark report[28] by Amway, a principal MLM organization (MMO), revealed that the then average gross monthly earnings of its sales personnel, referred to as distributors, was a meagre $88, sans operating costs (Edwards and Edwards 2005, 1999; Edwards, Edwards and Zooi 1997). Relative to that period's $14-$22 average hourly earnings for similar work by those employed in the formal sector[29], this is unequivocally abysmal. In response to both the report and to continuing complaints regarding (mis)information and (mis)direction about potential revenue outcomes in the sector, the United States' industry watchdog FTC (Federal Trade Commission) mandated more earning-related transparency from MMOs. Hence, part of MMOs' contemporary recruiting communications involve disclosing in one way or another, the revenue generated by their independent workforce. And even with contrived compliances, a close look at the released *average* earnings of some independent personnel of key MMOs such as Amway, Herbalife, and others on their websites, confirms that revenue outcomes remain abysmal. This, at least in part explains the continuing curiosity that despite evidence of grim returns on investments (ROI), those engaged in MLM continue to devote personal resources disproportionate to

income earned from their activities therein (Bosley and McKeage 2015; Cahn 2008; 2006; Barrett, Albaum and Peterson 2011; Barret 2004; Kong 2002; Bhattacharya and Mehta 2001; Jones 1996). In 2011, the direct selling industry of which MLM is a primary revenue generator generated about $154 billion in sales worldwide and $30 billion in America[30]. Canada's Competition Bureau[31] estimated that in 2004, about 250 MLM organizations operated in Canada with over 375,000 participants[32]. As of 2014 however, Yahoo Canada declared it a $2.2 billion industry with over 1.3 million Canadian participants. More recently, in 2019 the Direct Selling Association (DSA) Canada declared the *total Canadian economic impact* of the sector to be $7.3 billion, with annual Sales of $3.5 billion. The bottom-line is that the industry is growing and has acquired increasing legitimacy by the presence of some of its key players in Forbes' elite category of reputable companies[33]. However, the continuing growth of the sector, alongside the alleged poor returns, engenders three concerns:

1. The first relates to whether this employment sector can be classified as precarious (Pupo, Duffy and Glenday 2010; Pupo and Thomas 2010; Vosko 2006).
2. If so, the second relates to the nature of its precarity and whether it varies along dimensions akin to the formal employment model in which wages are received for labour services rendered (High and Lewis 2007).
3. Given its alleged returns, the third relates to how well Canadian immigrants fare in MLM.

These elements shape the research questions that guide the study, as detailed below.

1.3 STUDY SCOPE AND OBJECTIVES

At the heart of this study is the need to examine the viability of MLM as a pathway to economic integration for Canadian immigrants. The spotlight at this juncture is on whether MLM is beneficial to immigrant integration beyond simply getting-by,

which *survival jobs* in the mainstream labour market do anyway. It is noteworthy that to earn income in commissions, MLM requires the use of the two personal resources - economic and social capital - which new immigrants do not usually have in abundance (Van Duff 2004; Salaff et al. 2002; Li 2001ab). This leads us to question whether immigrants would choose to work in MLM if they were not faced with structural barriers to regular employment in the formal labour market. When we consider that it is said that "people with more advantaged origins and more prestigious jobs have better networks" and therefore, fare better than those who are poorly connected (Erickson 1996: 218; see also Kadushin 2012; Montgomery 1991; Granovetter 1983), the relative abundance of networks that are accessible to immigrants becomes salient. In addition, while MLM's significantly low start-up capital investment may attract capital-poor immigrants, how they develop or acquire the essential economic and social resources to sustain their MLM activities is pertinent. Hence, the need to:

- Identify the push-pull factors between MLM vis-a-vis the formal sector. This also includes the effects of structural barriers and their social relations.
- Identify and evaluate the precariousness (if any) in MLM work. Are there notable areas of intersection or divergence between it and the formal sector - for example, in terms of dimensions of precariousness?
- Determine whether work in MLM fosters a pathway to integration that helps establish immigrants' socio-economic integration into mainstream Canadian society.

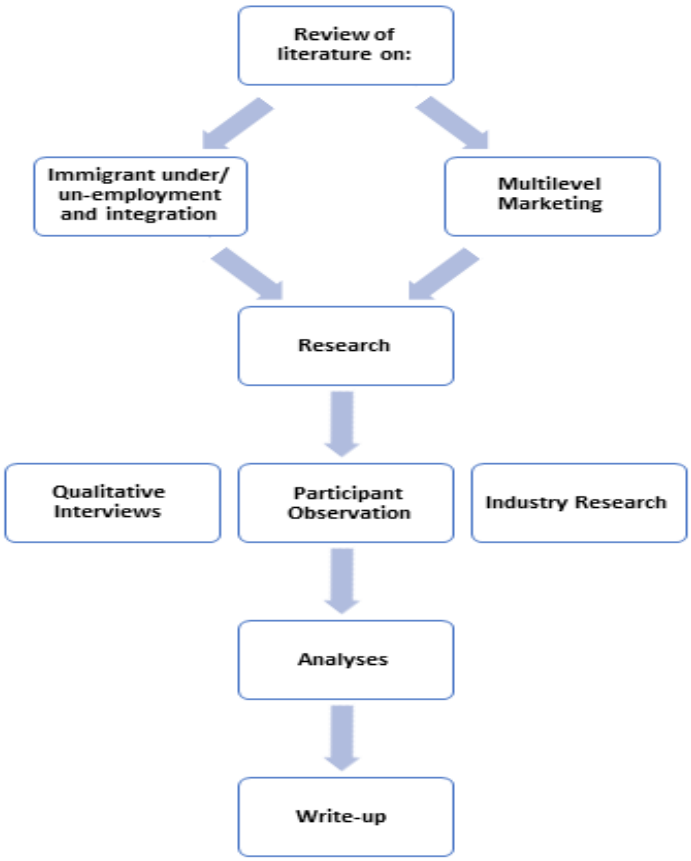
In summation, the primary research question is: how does working in MLM impact the integration and overall well-being of recent immigrants to Canada. In relation to this, the study seeks answers to the following questions:

a. What draws immigrants to MLM (the pull factors)? Does this derive directly from barriers in the formal labour market?
b. What benefits does MLM offer new immigrants? Does it have *latent* possibilities that advance their economic and social integration? If so, what are these?
c. What are the working conditions in MLM? How do these compare to the formal sector? Does MLM constitute precarious work? If yes, what are the forms and dimensions of its precariousness vis-à-vis the formal sector?
d. Can immigrants earn a stable livelihood through MLM? Are there pathways out of MLM into more stable forms of employment?
e. How do Canadian immigrants develop and sustain the network(s) of relationships and interactions necessary for profitability in this line of work?

1.4 THE RESEARCH PROCESS

Figure 2 represents the components of the research process employed. Notably, these steps were more iterative than linear. For example, the review of literature (see Chapter 2) was continuous – during and even after fieldwork. Similarly, data collection on the industry continued into analytical and write-up stages.

Figure 2 - The Research Process



1.5 RESEARCH DESIGN AND DATA COLLECTION METHODS

A few considerations informed the choice of research design and applicable data collection techniques adopted. These considerations were premised on the objectives as specified, which essentially requires that a correlation between immigrants' participation in MLM and their integration into the formal labour market be established and evaluated. However, the paucity of data on MLM and its immigrant members, exacerbated by the poor regulatory oversight by government agencies and the ambiguous nature of MLM work itself complicates this objective. Hence, while the design necessarily defaults to one that is explorative and descriptive, it was essential

that it be relatively organized to enable evaluation of immigrants' association with MLM (Barbour 2019; Neuman and Robson 2014; Maxwell 1996). A multi-pronged qualitative design approach comprising interviews and field observations combined with industry research as data collection methods was thus adopted. This approach fosters collection of relevant data on MLM itself, its intersection with immigrants' reflections on their experiences and how they themselves make sense of their involvement with MLM (Ibid). The specific forms of data collected for this dissertation are outlined in what follows.

1.5.1 Qualitative Interviews

Qualitative interviews enhance the focus on individual narratives and how each understands and chronologically locates their respective experiences and events to the subject matter (Barbour 2019). Although focus groups may have generated a rich cross fertilization of ideas amongst participants, MLM's modus operandi and its association with Ponzi schemes (see Chapter Three) made focus groups untenable for the purpose of this research project (Barbour 2019; Barbour and Kitzinger 1999). For one, not only are MLM operatives difficult to access, but their group characteristics and the issues under study make the confidentiality and depth of discussions facilitated by one-on-one qualitative interviews more sensible (Ibid). Specifically, the interviews involved discussions with two groups of immigrants who have experiences with MLM in terms of having: (a) interactions but never worked nor earned income therein; or (b) interactions that resulted in working and earning income therein.

Notably, although the specific requirements to participate in the study are clear-cut, identifying, and obtaining access to the relevant persons was particularly challenging. It was laboriously time consuming and required sensitivity and

resourcefulness while being guided by ethical considerations that inform human participants (Barbour 2019; Anyan 2013). The reasons for this are twofold. First, the aforesaid negative association of MLM with illegal Ponzi schemes because of their shared pyramidal reward structure overcasts MLM with negative credibility and legitimacy. This explains its operatives' partiality for "network" marketing as a referent term instead of the "multilevel" marketing used here and in most literature. The second reason has to do with MLM's own negative reputation earned through its modus operandi wherein its workers utilize their social relations to generate income. This casts a pall of discomfiture[34] and a defensive veil of concealment over the industry that paradoxically, contributes to its growth (as discussed in Chapter Three). It also limits the visibility and access to its members except as it occurs during their MLM-related activities[35] or through their social networks. Recourse to their social networks (which became necessary) was itself fraught with challenges. This is because while those in the social orbits of known MLM members prefer to avoid revisiting MLM issues with them because of their repeated soliciting activities in the past, MLM members themselves would also rather not be reminded of unproductive interactions that did not advance their MLM activities. Contacting them in the course of their MLM activities is no less challenging because their intense focus on growing their businesses requires adherence to learned roles, practices, and scripts (see Chapter Three) that leave little space for non-MLM business interactions. Typically, on such occasions when they are engaged in MLM activities such as marketing and selling, their talking-points and responses to inquiries are liberally laced with exaggerated excitement about MLM and guarded resistance to interactions unrelated to buying their products or joining their

team. The challenge therefore was how to: (a) identify, access, and persuade MLM members to *willingly* participate in the study; and (b) encourage them to discuss their MLM activities candidly without superfluity or the prospect of material benefit from the interaction. The fact that they also had to be first generation immigrants was another variable that increased the specificity of the participation requirements and added more complexity. It, however, also aided the process in that known first-generation immigrants served as resources for identifying and gaining access to MLM members and fostering trust. Starting with the sampling procedure, details of participant characteristics and management of the challenges are outlined in what follows.

1.5.1a. Sampling Procedures: Selection of Participants

As indicated above, the central focus of this study is to establish whether a connection exists between immigrants' participation in MLM and their limited integration into the labour market resulting from the non-recognition of their imported credentials. To foster such analytical scrutiny and evaluation, collected data had to be suitably focused on relevant subjects. Therefore, sampling decisions related to the selection of study participants should: (a) reflect the complexity of the objectives (e.g. why immigrants chose or rejected MLM work), (b) reflect the diversity of the social actors; and (c) facilitate access to participants relevant to the study (Barbour 2019, 2001; Onwuegbuzie and Leech 2007). Based on these considerations, a multi-pronged non-probability sampling procedure was adopted. This involved combining purposive, quota, convenience and snowball sampling procedures. Effectively, purposive sampling ensured that the sample reflected participant characteristics and diversity relevant to understanding immigrants' behaviour in relation to MLM and their integration (Barbour 2019). In other words, why some immigrants embrace MLM, why some leave MLM after

embracing it and why some others never embrace it are important aspects of choices related to MLM that were purposively reflected in participants selection. Thereafter, predetermined number of cases were assigned (quota sampling) to each category (Barbour 2019). The number of cases assigned to each of the identified categories were based on each category's perceived relevance to the set objective. For example, since this study also aimed to identify MLM's relevance to the integration process, a higher number of cases needed to be assigned to those currently in MLM. Having identified and grouped the target sample into the relevant (three) categories using purposive sampling and assigned specific number of cases to the categories (quota sampling), actual access and connection to participants in the various categories combined convenience and snowball sampling methods. To this end, settings and sources that would facilitate access to participants in each grouping were identified and pursued (convenience sampling). This was particularly required for accessing those having ongoing association with MLM. This included taking advantage of serendipitous opportunities that provided unexpected access to relevant participants. It also involved attending public and private marketing/sales events[36] where contacts could be initiated with potential participants or with gatekeepers and individuals that could facilitate access to them. For example, a chance conversation initiated by a fellow commuter on a public transit presented a follow-up sampling opportunity for one of the categories. Similarly, a Canada Day outing with friends resulted in a fortuitous meeting with a cooperative informant whose invitation to a marketing event extended the range of my understanding of the subject matter.

It is worth mentioning here that whereas there was no quota assigned by gender from the outset, when all sampling procedures yielded only female participants for reasons discussed below and in Chapter Four, it became necessary to slightly modify this sampling decision. This involved declining interviewing some accessible females associated with MLM and purposively seeking and interviewing their male counterparts to enhance gender perspectives on it.

Due to the very guarded and evasive nature of the MLM sector which limits access to its operatives, snowball sampling, which employs the principles of referrals (Barbour 2019), was also adopted. Herein, participants were asked to help facilitate connections to other operatives. However, while participants were asked for referrals to others who may potentially participate in the study, their involvement in the selection of participants was limited to just initiating connections. I carried out the actual screening and selection. The parties on both sides of such linkage efforts were told that for purposes of confidentiality and anonymity, I could not inform either of them whether referred individuals took part in the study, nor would those individuals themselves be informed about the referrer's participation. While some declined because they did not think their co-members would like to participate, some others assisted. To compensate for the tendency of snowball sampling to result in participants from similar backgrounds and networks, referrals that turned out to be from the same source country or network as the referrer participant were mostly not included. Overall, source regions of immigrant participants to some extent mimic the ethnic profiles of recent immigrants in general. These include countries in Asia, Africa, the Caribbean, and Europe.

1.5.1b Gaining Access

Ultimately, establishing direct contacts with study participants occurred mostly through their networks (friends, acquaintances, and family members) facilitated often by attendance of MLM and other social events. In addition to participants' pre- and post-immigration backgrounds and experiences, the interviews provided data on reasons for choosing employment in either MLM or the formal sector, as the case may be. Interviews explored their routes to Canada, their settlement, allied challenges, employment in the formal and informal sectors, perception of their employment options, routes to MLM, reasons for accepting or rejecting it, etcetera. The interview guide is included as Appendix A.

1.5.1c Number of Interviews and Participant Characteristics

Overall, 28 qualitative interviews were conducted. These included 4 Canadian-born participants who were not part of the sample scheme for the study. Their respective status as Canadian-born became known during the interviews. Nevertheless, their presence enriched comparative analyses. The other 24 interview participants were *new* immigrants, defined in this study as *first-generation* immigrants irrespective of length of landing in Canada. Statistics Canada's classification[37] of first-generation immigrants organized around year of landing as the criterion holds 10 years as an *adequate* cut off period for full integration and establishment into Canadian society (Yssaad and Fields 2018; Yssaad 2012). However, juxtaposing this classification with their employment data (ibid) and both older[38] and more recent[39] studies on immigrant integration and employment indicate that, in reality, becoming *established* remains a lifelong quest for the typical first-generation immigrant from the period of landing in Canada (Frenette 2018; PEPSO 2013; Preston et al. 2011; Greve and Salaff 2005; Frenette and

Morissette 2005; Li 2003, 2001b; Hum and Simpson 2002; Salaff et al. 2002). Participants' narratives (presented in Chapter Four) generally confirmed this. It is worth noting here that the 24 interviews with new immigrants include 3 participants that landed as children (13-17 years). Having had significant parts of their education (high school and college) in Canada, they are caught somewhat in the identity gap of not seeing themselves as first-generation immigrants (having landed as children) and yet not strictly as second-generation immigrants since, they are foreign-born. Nevertheless, they are categorized along with first generation immigrants here. However, significant differences between their group experiences and those of other first-generation immigrants are highlighted as necessary in Chapters Three and Four.

Typically, immigrant participants had, at the minimum, undergraduate university degrees in business, accounting, social sciences, education, sciences and engineering. While most (18) arrived in Canada as economic immigrants, a few (3) entered through the family reunification, refugee and student visa programs. At the time of interviews, participants had been in Canada for at least 3 years and up to an average of 19 years. Prior to coming to Canada, all were employed in jobs commensurate with their qualifications and, some held managerial and senior positions in their native countries.

Using association with MLM as eligibility criteria, the **28** interviews were split between distinct groups of participants identified by their direct interactions with MLM, as follows:

i) *Those associated and Involved with MLM:* These involved **24** interviews split between two sub-groups of individuals having:

a. Active Association – These are MLM operatives *actively engaged* in *earning* income from MLM. These involved **17** interviews. At time of interview, their

respective associations with MLM ranged from 1 year to 25 years, giving an average of 5 years and a median of 5.4 years.

b. Inactive Association - These involved *former* MLM operatives who are *no longer* engaged in or earning income from MLM. **Seven** interviews were conducted. Prior to severing ties with MLM, these participants were actively engaged for a timeframe ranging from 2 years to 15 years. Simplified, this gives an average of 6.1 years and a median of 5.5 years.

Altogether, both *Active* and *Inactive* MLM operatives' interactions with MLM as business owners ranged from 1 year to 25 years – that is an average of 6.1 years and a median of 5 years. On their part, immigrant operators' interactions with MLM ranged from 1-15 years which translates to a median of 4.5 years and an average of 5.4 years.

ii) *Those not associated or involved with MLM*: Exposed to potential recruitment by MLM operatives, these participants had opportunities to choose MLM work but opted not to. To pre-empt possible occupational preferences, they are similarly engaged in sales and marketing as MLM operatives but in the formal sector. Data from this group furthered the understanding of reasons for selecting or rejecting MLM work. Here, although 5 interviews were scheduled, **4** were conducted. This was because a participant originally listed in this category turned out to have previously participated in MLM work albeit for a brief period. The participant was then slotted in the ex-MLM member category. In that no new data emerged in other interviews conducted for that category, the interview was not replaced.

The **28** interviews evolved[40] in the ratio of 4:1 females to males, which unwittingly typifies the over-representation of females in MLM work as observed during fieldwork[41]. This is also confirmed by the 2019 statistics from the Direct Sellers Association[42] (DSA) of Canada, which claimed that of its[43] 1.2 million Independent Sales Consultants across

Canada, 82% are females and only 18% are males. Participants were mostly within the 25-54 years age-group identified by Statistics Canada as the core age-group of the workforce. This is also the target age group under the economic class category and the dominant age category of DSA's independent sellers[44]. Notwithstanding, three participants were between 55- 69[45] years. In terms of marital status, the majority (79%) were married and 21% were single. About a third of all participants had no children, though the majority had 1-4 children and the cluster was around 2-3 children. A summary of the characteristics of participants is attached as Appendix B1 and Appendix B2

1.5.1d. The Use of Informants

In addition to the 28 *participants* discussed above, a group of *key informants* were helpful in the data collection process. *Key informants* here are distinct from *interview participants*. The latter signed the informed consent form and are part of the 28 qualitative interviews. *Key informants,* on the other hand, assisted by facilitating field observations and access to interview participants. Though willing to informally discuss the subject matter, they did not commit to qualitative interviews for various reasons that include scheduling difficulties and discomfort with the informed consent form. They however provided information about specific MLM events, activities, and organizations.

1.5.1e. Interview Schedules and Locations:

The majority of the interviewees live in the GTA (20) and cities outside the GTA (5), while two participants live in southern Ontario and one in another province. The three (in southern and outside Ontario) were interviewed by long distance phone conversations. Their signing of the informed consent form was by email.

The protocol for scheduling interviews was guided by considerations for participants' safety, accessibility and overall sense of comfort and convenience. As such, the practical requirement that interview spaces be conducive to recording and free from interruptions and distractions were often not attained. Early in the data collection process, it was clear that to obtain potential participants' buy-ins, interview schedules must be at their behest. This was mostly because of their busy schedules, which, as discussed in Chapter Three, left them little time (and interest) for activities that hold no economic value[46] for them.

Secondly, leaving scheduling and choice of location to participants also served to mitigate and tip the potential power asymmetry that typically attends interview situations in participants' favour (Kvale 2006). Accordingly, participants' preferences wholly determined interview locations and time. Hence, while four of the interviews were by local (1) and long-distance (3) phone conversations, the bulk (i.e. 24) were by face-to-face discussions at participants' homes or workplaces (8), at public locations, usually fast-food restaurants and coffee shops (15), and via Skype (1). The downside of holding discussions at their workplaces and homes were unavoidable interruptions and distractions by customers, co-workers, and family members. The main problems with public locations were the lack of privacy and noise levels that made audio recording of interviews highly challenging and often impracticable. Consequently, while the majority consented to audio recording, the public sites made recording awkward and noisy, and resulted in audio files that mostly lacked desired clarity. However, with their approval, extensive notes were taken[47] during all conversations. While this extended[48] the length of interviews and at times the flow of discussions, since I sometimes asked them to

repeat sentences I was taking down in verbatim, the interviews in my opinion, were not negatively impacted. They generally went well. All discussions were informal and conversation-like, lasting two to three hours for the most part. The general interview guide is available as Appendix A.

The interviews commenced in *February 2016* and concluded in *August 2017*.

1.5.1f. Challenges

Typical challenges experienced during the study, most particularly while conducting interviews included:

- Gaining access to participants, as earlier discussed.
- Participant behaviour: This relates especially to not honouring scheduled appointments. Indeed, many deferred and declined interviews even after scheduling[49].
- Locations: The choice of interview locations was left to participants. Apart from the downsides discussed above, this involved often lengthy travel to interview locations for me. It was, however, worthwhile as it made it easier for participants to engage in the study. It also mitigated potential power asymmetry (Anyan 2013; Kvale 2006).
- Recording interviews: Frequently, interviews were at locations and in situations where recordings were difficult. The challenge for me was balancing notetaking with active listening and asking relevant questions.

These challenges did not negatively affect the data collection process or the data outcome. The notable outcome is that participants generally had a sense of control and agency in the research process. And this informed their heartfelt engagement in the process attested to by the fact that all ended up spending more time than they had agreed to. They willingly repeated statements and events not adequately captured when asked. Despite my reminders and willingness to abide by scheduled time which ranged

from one to two hours, participants were typically in no hurry to depart. I was able to ask all necessary questions, review and ask for their input.

1.5.2. Field Research

The bulk of the field research was undertaken from *August 2016* through to *November 2017*. The last observation was completed in *December 2019*. Field research was initially conceived as simply accompanying participants (if invited) to obtain first-hand glimpses into their activities and interactions in MLM. The view was that observing participants' interactions and activities in MLM at close quarters would enhance the understanding of the intersection of MLM with immigrants and their economic integration. As a data collection procedure, field research enables social processes to be studied as they occur in their normal contexts (Schutt 2012). Field study as participant observation is, however, fraught with potential ethical quandaries based on issues such as: (a) whether to merely observe or participate; (b) how much participation is contextually required and ethically acceptable; (c) whether to be overt or covert (Ibid). These decisions can impact data collection for good or ill. Ultimately, decisions on the structure of the field aspect of a study will depend on the context and research purpose in relation to emergent ethical implications. In this study, it was covert and required some level of immersion in the context. This meant that any knowledge of my purpose was limited to the individuals (informants and participants) that facilitated the exercise and the one to two persons that they informed strictly on the need-to-know basis.

Factored merely as a supplementary part of the data collection strategy at conception, the strategy of participant observation was embarked on as opportunities arose, that is, when participants willingly invited me to accompany them. As such, the

number of such possible situations could not be predetermined from the outset. Nevertheless, it became an important element of data collection in that numerous opportunities occurred that allowed me to actively observe and engage in 14 MLM-related events[50] as well as an ethnic event. The opportunity to attend the ethnic event was originally presented to me as an occasion to network for access to MLM workers who were part of that community. Attending the MLM and ethnic events enhanced my understanding and analyses of qualitative interview data and participants' interactions within and outside MLM. One of the MLM-related events was not initiated by a participant, however. Well into the write-up process, I happened on a flyer from a government-sponsored training and employment resource center for newcomers and residents. It listed a guest speaker event and the name of a key MMO. This caught my attention and I decided to attend out of curiosity. To attend, it was necessary to register as a *client* of that particular resource centre. Since the event was open to the public and I did not know what to expect, it was not necessary to identify myself other than as an interested member of the public.

For the other events, decisions on disclosing (and explaining) my presence and research interest were left to the hosts and facilitators. All chose non-disclosure. Hence, while the conceived strategy was originally that of the passive observer, in order to blend in at the events, it was expedient to participate in physical and verbal expressions of conformity and agreement, as necessary. This is because being the declared guest of a member, non-conformity would attract unwanted attention that could potentially embarrass the host. At the behest of participants, informants and gatekeepers who facilitated attendance of the events, other attendees including colleagues[51] of the

respective hosts were typically not privy to my purpose for being there. This is because such disclosures would have been met with disapprovals from their colleagues. It would also have compromised the relationships of facilitators and their colleagues – especially uplines (see Chapter Three) not privy to the arrangement. More importantly, the integrity of the exercise would also have been compromised as I would have been limited in what was allowed for observation and participation. For example, at one of the events which included several sessions, I was only permitted to attend sessions that my informant's upline (who was privy to my research purpose) allowed. At every turn, the informant consulted the upline whose (subtle) strategy was to get me to become a member. Nevertheless, despite being limited in what I could observe and the impression management performances it generated with the upline who also did not inform other members and attendees, the comparative opportunity that this instance afforded was immensely helpful to my overall understanding of MLM and interactions within it. However, in all instances, the privacies of those who were not formally part of the study were respected in that no audio recordings were made nor were there specific details about individuals taken. This is because not being privy to my activities, they were considered non-consenting. In general, insights and questions arising from the field study added depth to subsequent interviews and enhanced the understanding of participants' narrations.

1.5.3 Industry Research

This involved accessing relevant literature and communications on MLM from various industry sources. These included reports and publications of government agencies and key MLM organizations and associations. It also included informal discussions with key

informants, who as members of the MLM community also provided and clarified important insights on the industry. Details of the industry research are outlined in what follows.

i) MLM Practitioners and Advocates: These included communications and literature by persons and organizations having vested interests in the industry, including individual MLM practitioners and allied corporate players, such as multilevel marketing organizations (MMOs), and umbrella associations such as the Direct Sellers Association (DSA) and the Association of Network[52] Marketing Professionals (ANMP). Their communications and allied literatures are available publicly on the internet. Their general objective is to promote, sustain, and increase participation in the sector. They also disseminate targeted communications through brochures, advertisements, audio and video materials and information packages[53] mailed or handed out at meetings. Some of these, which focus on personal development guidelines, motivational and coaching instructions are available for purchase at MLM conferences and meetings or ordered through their websites. Would-be recruiters called *upline*s *(*discussed in Chapter 3) also sell[54] or loan specific literatures (books, CDs or tapes) to targeted prospects and new recruits to respectively facilitate joining and commitment.

ii) Non-Practitioners: These are typically critics (associations or individuals) who are anti-MLM because of previous negative experiences, whether theirs or someone else's. Peppered with narratives of negative experiences and warnings, their communications are typically uncomplimentary and even acerbic of MLM and are designed primarily to dissuade prospects and encourage attrition among current operatives. Prominent among these are, for example: Robert Fitzpatrick[55] and colleagues who through books,

seminars, and social media, have long dedicated themselves to exposing MLM as untenable and inauthentic. This type of information source is mainly available publicly on the internet.

iii) Government and Industry Watchers: These individuals and organizations monitor and provide information on evolving issues and trends in the sector. As industry watchers, they are "neutral" in the sense that they have no obvious vested interests in MLM per se. Their communications aim at enlightenment and focus on industry regulations and issues of equity. Included in this category are independent market analysts as well as government watchdogs and regulatory bodies that protect consumers while promoting competition. These include: (i) government agencies such as the Competition Bureau and the RCMP in Canada and the FTC (Federal Trade Commission) in the US, who list and enforce operational guidelines; (ii) media outlets such as *The Economist, The Globe and Mail, NBC etcetera*, who call attention to industry violations and advise cautious engagement; and (iii) industry analysts who, based on their own market analyses, fall on either side of the spectrum[56] as allies or opponents. Their contributions are available in hard copy publications and online. For example, on the positive side for MLM, prominent investor Robert Kiyosaki's audio recordings, videos, and books such as *The Business of the 21st Century* (2013) and *Rich Dad, Poor Dad* (2000) comment favourably about MLM. Hence, they are must-read books for operatives.

Notwithstanding their respective agendas and biases, together, these sources represent the various influences on the public perception of the sector.

1.6. ANALYSES

Typically, qualitative research, which in this study involved interviews and observational field research will generate copious amount of data with multiple perspectives and voices that may at times contradict one another (Barbour 2019, Holley and Colyar 2012). Explaining and analysing these perspectives and voices requires an analytical process that is systematic and that facilitates coherent interpretation. Hence, the data analyses strategy adopted was multi-layered, consisting of integrating data from the various sources comprising industry research, qualitative interviews and field observations moderated by reviewed literature. Analyses commenced during data collection and continued thereafter. Operationally, themes arising from each interview and observation episode were compared to identify patterns, alignments, and differences from previous interviews and observation episodes (Barbour 2019; Kolb 2012; McAdam 2006; Boeije 2002; Emerson, Fretz and Shaw 1995). To obtain relevant themes, notes and transcripts were analysed using open and focused coding that involved close reading and rereading based on the principles of the constant comparative method (Ibid). The essence of the constant comparative method of analysis is the continuous process of comparing and contrasting insights obtained from one in-depth interview (or observation) and using the outcomes to modify the directions of follow-up in-depth interviews, observation activities and informant discussions (Barbour 2019; Kolb 2012; Boeije 2002).

Specifically, this approach involves first identifying key responses, events, themes, and perceptions in individual participant's narratives within their assigned categories, and then comparing the emergent outcomes with data from other individuals within the same category, such as for example, all cases in the category of ex-MLM

workers. This helps to identify within-group differences and similarities. Next, the emergent themes and patterns in a category are compared with those from other categories, for example comparing ex-MLM workers to current MLM workers and to non-MLM workers. This between-category comparison and contrasting also promotes recognition of deviations from identified patterns and ensures that seemingly minor voices get represented in interpretations and write-ups. Finally, narrated thematic experiences of participants are compared with observations. The same method of comparison and contrasting was employed with field research data. Since the constant comparative process overlapped with data collection, it allows for the interrogation of themes, patterns, and deviations in new data collection exercises. This helped in the development of potential interpretations and explanations for patterns and their deviations. It also helped to identify saturation points, which occur when no new information on a theme, pattern or even the subject matter emerges. In conformity with established best practices (Barbour 2019; McCormack 2004; Byrne 2003), notes taken during interviews were reviewed with participants at the end of interviews to enhance accuracy in understanding and representation.

1.7 ETHICAL CONSIDERATIONS

Strict adherence to ethical guidelines[57] regarding human subjects of research that aimed to maintain confidentiality and ensure that participants experienced no harm attributable to taking part in this study was paramount. The need to protect participants from any present and future harm resulting from their participation in this study was particularly notable and crucial during the participant observations at MLM events which were generally covert at the behest of participants (my hosts) who invited me to their

MLM events[58]. Uniquely, all operative-participants who invited me to their MLM events' independently and collectively requested me not to reveal my identity and intent as a researcher because such revelation would seriously hurt their reputations, relationships within their respective groups and their MLM businesses. I complied in all cases. To not embarrass my various hosts, it was necessary therefore that I blend in as much as was necessary which at times involved some level of active participation in some activities. Constantly reminding myself of disciplinary ethical protocols and focusing on my purpose for being there helped me to maintain my distance as a researcher even as I "blended in" to protect my participants. Thus, while I obtained much understanding from these events, the key objective always was to observe and understand my hosts' (i.e. participants') in-group interactions. Hence my focus was to limit and even decline interactions not directly relevant to this. A key strategy adopted was to decline offers to carpool to the events. This reduced obligations to participants and the requirement to stay for all the events which will force more interactions than necessary. Field notes on the events simply referenced others by their location or relation to my host-participants/events such as for example, "a speaker", "someone on my right", "the group behind", "the (direct) leader" etcetera. Furthermore, confidential documents and data about the event or organization incidental to being there were not removed[59]. Notwithstanding, study participants interviewed were generally aware of the broad intent and purpose of the study and were not in any way made to participate under any false pretences. Signed consent was obtained prior[60] to the commencement of each interview. The informed consent form (see Appendix C) detailed the objectives and purpose of the study and provided information for airing grievances and seeking

intervention if desired. Participants were privy to the fact that continued participation was entirely at their behest and that they could withdraw from the study at any point in the research relationship with the assurance that all data related to them would be discarded if desired. As also promised in the consent form, the identities of participants were protected with pseudonyms. Notes taken during interviews (and these were shared with the respective participants[61] at the time) merely had the actual date of the respective interviews, location (e.g. coffeeshop, home) and serial order of that interview (e.g. “interview #1”, …, interview #18” etc). Further notes and observations about interviews (and observations) were usually made in private where access was always limited to me. Indeed, access to all data with potentially identifiable information has been limited to me as the researcher and all data will be eventually discarded (shredded and deleted as applicable) as per ethics protocol. Meanwhile, all notes are securely kept as hard copies or as digital files. Although this never happened because sensitivity and respect for boundaries in each context were maintained, participants were aware of their right to refuse to answer questions that made them uncomfortable and to request an end to such a line of questioning. This was clearly specified in the consent form and verbally repeated before the start of any discussion. All questioning maintained boundaries commensurate with ethical guidelines and directives by the University’s Human Participants Review committee, the respective research contexts, and my sense of integrity and propriety.

For example, recognizing that most operatives may be too embarrassed and therefore may be unwilling to share detailed information about their earnings in MLM if these are low, I refrained from asking questions about this[62]. I arrived at this conclusion

based on my experience at the first interview with an operative when I asked for an estimate of her average monthly earning from MLM. I had prefaced my question with the reminder about it being her choice to answer. She laughed, answered “not enough” and went on to explain why. Further probing for clarification of what “not enough” meant was met with modified repetition of the same phrase: “not as much as I can make”. I took this as being indicative of an unwillingness to reveal specific details. After this initial uncomfortable attempt to obtain a dollar estimate of revenue from work done in MLM from this participant, I generalized this line of questioning in subsequent interviews[63]. The question became for example, whether participants made, are making (or think they could eventually make) enough revenue in MLM to subsist and improve their lifestyle.

1.8 GENERALIZABILITY

While the resultant data is robust in depth and breadth, generalization is limited owing to issues of representativeness based on the sample size and methods used. Nevertheless, the combination of data sources used, along with reference to previous studies, provide relative depth of knowledge that permit some cautious generalization. In addition, the subject matter and data outcome present potential issues and theoretical possibilities for exploration that will hopefully, inform and increase future research on work, immigrant integration and MLM.

It is expected that this study will contribute to ongoing search for solutions and activities aimed at resolution for the problem of integrating new immigrants into Canadian society socio-economically. While studies abound on immigrant integration and their venture into entrepreneurship, few specifically focus on immigrants employed

in the MLM sector, as in this study. The reputed growth of MLM in periods of recession (Cahn 2008), the organization of MLM work, the nature of remuneration, and the ease of access make it a potential magnet for immigrants who face structural barriers in the formal labour market. This makes the study timely and worthwhile in that while MLM has been studied from the angles of narratives (Gabbay and Leenders 2003), socialization (Pratt 2000ab), motives (Bhattacharya and Mehta 2001), ethics (Koehn 2001) and relationships (Bloch 1996), there is no study on the specific angles of choice and vulnerability with respect to our new immigrant population.

Ultimately, the expectation is for this study to refocus attention and increase the understanding of immigrants' experiences in relation to their integration or lack thereof. It will hopefully also result in further studies, better regulatory practices in the sector and, possibly, the reassessment and redesigning of government workforce policy on issues of effectiveness and efficiency.

1.9 CHAPTER OUTLINE

The dissertation is organized into six chapters and a conclusion. Having outlined the study background and methodology in Chapter One, Chapter Two consolidates the research problematic by further reviewing literatures on MLM, immigrant integration, and issues of precarious work. It also addresses the analytical frameworks, theories and key concepts underpinning the study. Chapter Three focuses on MLM itself. It outlines the industry in terms of structure, practices, and presentation. The discussion style mimics MLM's rhetorical pattern of juxtaposing itself against the formal sector. The chapter concludes by assessing precariousness in MLM vis-à-vis the formal labour market and MLM's viability for immigrants' integration. Chapter Four discusses the

migration and settlement processes of interview participants. This includes their pre- and post-migratory experiences, settlement activities, and challenges in relation to their labour market experiences related to issues of accessing work aligned with their credentials. The chapter concludes with an assessment of participants' satisfaction with their relocation to Canada. Chapter Five focuses on the intersection of capitalism, immigration policy and neoliberalism in supporting MLM and other forms of precarious work. Chapter Six examines the impact of immigrants' networks on their integration. The chapter analysed the push-pull effects of homophilous relations and ethnic networks on immigrant integration, centring on their impact on employment and participation in MLM. The focus is whether ethnic networks and homophilous ties advance immigrants' integration. Finally, the dissertation concludes with an overview of the emergent issues from the study and proffers possible solutions to advance the field in relation to immigrant integration and MLM work.

NOTES

[1] http://www.ohchr.org/EN/UDHR/Pages/Language.aspx?LangID=eng Last accessed 12/06/2020.
[2] *Multilevel marketing* is used in this document except when quoting participants. It is the more generally used term.
[3] While sections 51 and 52 of the Competition Act (https://www.competitionbureau.gc.ca/eic/site/cb-bc.nsf/eng/03035.html) regulate sector players, the broad test differentiating legal (i.e. MLM) and illegal (i.e. Ponzi) pyramids creates loopholes for borderline variations that complicate effective policing. Effective sector policing is also complicated by the roles of sector lobby groups like the DSA (Direct Sellers Association) and the ANMP (Association of Network Marketing Professionals) and the sheer volume of MLM organizations.
[4] Competition Bureau Canada relies on self-monitoring by sector players. Compliance superficially consists of so-called "transparent" disclosure of *average* earnings by allied operatives. These are typically fine-print caveats below bold showcasing of people ostensibly making plush living as MLM operatives. Only the most fragrant breaches which typically have drawn-out lawsuits result in some form of penalty and these have been in the US. See for example: *Herbalife's Settlement with the FTC*
[5] This was a speech delivered in Sault Ste. Marie, Ontario on June 14, 2019 at the inauguration of the "Rural and Northern Immigration Pilot" initiative expected to facilitate and encourage newcomers' dispersion into rural Canada. https://www.canada.ca/en/immigration-refugees-citizenship/news/2019/07/speaking-notes-for-ahmed-hussen-minister-of-immigration-refugees-and-citizenship-an-announcement-on-the-rural-and-northern-immigration-pilot.html
[6] https://www.canada.ca/en/immigration-refugees-citizenship/corporate/publications-manuals/annual-report-parliament-immigration-2017.html

[7] According to the Employment Equity Data Report (2016), first generation immigrant professionals save the Canadian economy $14,000/year per high school student and $22,000/year per university student.
[8] Founded in 1961, the Organisation for Economic Co-operation and Development (OECD) is an international organization composed of 37 countries committed to working together by sharing experiences and seeking solutions for mutual economic progress and environmental good (https://www.oecd.org/about/).
[9] Footnote #73 of the 2016 Census profile defines economic immigrants' as immigrants selected for their ability to contribute to Canada's economy through their ability to meet labour market needs, to own and manage or to build a business, to make a substantial investment, to create their own employment or to meet specific provincial or territorial labour market needs (https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=PR&Code1=01&Geo2=&Code2=&SearchText=Canada&SearchType=Begins&SearchPR=01&B1=All&TABID=1&type=0
[10] https://www150.statcan.gc.ca/n1/daily-quotidien/171025/dq171025b-eng.htm
[11] 1,212,075 is approximately 3.5% of the population.
[12] Statistics Canada refers to the recent immigrant as an immigrant who first obtained his or her landed immigrant or permanent resident status in the five years prior to a given census. In the 2016 Census, the period is from January 1, 2011 to May 10, 2016 (The Daily - Statistics Canada 2017).
[13] https://www150.statcan.gc.ca/n1/daily-quotidien/171025/dq171025b-eng.htm
[14] This was launched in January 2015 and is currently used for admission of economic immigrants comprising the federal skilled worker class, the federal skilled trades class, the Canadian experience class and certain Provincial Nominee Program streams (2019 Annual Report to Parliament on Immigration). https://www.canada.ca/en/immigration-refugees-citizenship/corporate/publications-manuals/annual-report-parliament-immigration-2019.html).
[15] https://www.canada.ca/content/dam/ircc/migration/ircc/english/pdf/pub/annual-report-2019.pdf; https://www.canada.ca/content/dam/ircc/migration/ircc/english/pdf/pub/2019-ee-report-pdfversion-eng.pdf
[16] This includes the Middle East particularly The Philippines, India, China, Iran, Pakistan, Syria, and South Korea. They accounted for 7 of the top 10 countries of birth of recent immigrants in 2016. https://www150.statcan.gc.ca/n1/en/daily-quotidien/171025/dq171025b-eng.pdf?st=-gaskYh-
[17] In the 2016 census, “for the first time, Africa [13.4%] overtook United Kingdom [11.4%]” as the second highest immigrant sending nation after Asia [61.8%] (P.4 https://www150.statcan.gc.ca/n1/en/daily-quotidien/171025/dq171025b-eng.pdf?st=-gaskYh-)
[18] The population of visible minority currently stands at 22.3% in the 2016 census (Ibid)
[19] The provincial-territorial nominee program is also based on similar human capital criteria but at the provincial-territorial level. Intakes are only allowed to settle in the province or territories that nominated them for determined period of at least two years.
[20] This may in part account for increased number of persons admitted from Asia, particularly the Philippines, China and India which are countries reputed for their emphasis on healthcare and STEM education.
[21] While definitions vary, this usually references those landed not more than 10 years – i.e. ≤ 10.
[22] StatsCan Labour Force Characteristics by Immigrant Status: Table 14-10-0082-01
[23] This was at the Internationally Educated Professionals conference in Toronto organized by Progress Career Planning Institute. Edmonton Sun, February 21, 2008. Accessed 07/03/2014, 2018. Full delivery of speech available at: http://www.cic.gc.ca/english/department/media/speeches/2009/2009-02-20.asp - Accessed 07/03/2014, 2018.
[24] As of December 2019, the unemployment rate of recent immigrants inched back to double digits again (StatsCan Labour Force Characteristics by Immigrant Status: Table 14-10-0082-01).
[25] https://www.dsa.ca/what-is-direct-selling/
[26] In rare cases and as part of the pay-for-performance transaction, the single-level marketer may get base pay for performing pre-determined marketing functions (product demonstration, organizing a party plan) that typically result in sales. When sales are generated, commission pay is added to the base pay. CUTCO/Vector Marketing and Pampered Chef MMOs are the only ones I know that do this. Both companies however use SLM and MLM compensation plans - moreso Pampered Chef
[27]Amway.ca/en_CA/amway-insider/common-questions
[28] Amway's 1998 "Business Review" tabulated the figures gathered from April 1994 through March 1995 from active *distributors* defined as *those who attempted to make a retail sale, presented the Sales and*

Marketing Plan, received bonus money, or attended a company or distributor meetings in the month surveyed - which approximated 41% of all distributors on record. The tabulated average "gross income" was $88 per month. The report defined *gross income* as the *amount received from retail sales*

[29] Garnett Picot, Rene Morissette and Yuqian Lu (March 15, 2013). The Evolution of Canadian Wages over the Last Three Decades. *Analytical Studies Branch Research Paper Series. No 347; Issue # 2013347*. Publications 11F0019M, no. 347 http://www.statcan.gc.ca/pub/11f0019m/2013347/t013-eng.htm

[30] The Economist 2013: January 4

[31] http://www.competitionbureau.gc.ca – Last Accessed 15/05/2020

[32] The Better Business Bureau and Industry Canada could not provide updated data on the sector which possibly accounts for its poor regulation or alternatively, the outcome of poor regulation.

[33] Amway and Mary-Kay received mentions as #44 and #123 respectively on Forbes's 2018 list of large companies. https://www.forbes.com/companies/amway/?list=largest-private-companies#7d801e63ec41 https://www.forbes.com/companies/mary-kay/?list=largest-private-companies#4d89bfcc2bc9

[34] There is mutual discomfiture between MLM members and those in their networks that they had unsuccessfully tried to recruit.

[35] Activities such as recruiting, marketing, product demonstrations and selling.

[36] Some events are held simply to promote the products and make sales. These are advertised at community centers, public libraries, transit stops, small local grocery stores etcetera. Some of these events are held at the library and community centers.

[37] Statistics Canada classifies immigrants into 3 categories by their length of landing in Canada as: (a) Very recent immigrants = landed immigrants who have been in Canada for 5 years or less; (b) Recent immigrants = landed immigrants who have been in Canada for more than 5 and up to 10 years; (c) Established immigrants = landed immigrants who have been in Canada for more than 10 years (Yssaad 2012).

[38] Several studies (Greve and Salaff, 2005; Salaff et al. 2002; Hum and Simpson 2000; Li 2001) reveal however, that first generation immigrants virtually spend most of their existence in their adopted countries trying to integrate and develop social and economic capital. Consequently, the term *new immigrant(s)* is used broadly in this study to reference first generation immigrant(s) irrespective of time of arrival in Canada.

[39] The study by the PEPSO group (2013:32) noted that immigrants "continue to have less secure employment than non-immigrants". Their findings revealed that on average, "while many immigrants may eventually escape the uncertainty of precarious employment" (p.34) only immigrants who had been in Canada for 20 or more years achieve some level of employment parity with non-immigrant counterparts.

[40] At a point in the search for male MLM participants, I passed over female interview opportunities.

[41] The attendees of MLM events as observed during field research were significantly females.

[42] https://www.dsa.ca/industry-statistics-and-research/ - accessed April 2020

[43] Not all MMOs are registered with DSA. For example, in 2016, Avon (UK) withdrew its membership from DSA citing philosophical incompatibility as the reason. This was shortly after it sold its North America's holding. The New Avon Company LLC, the North American Avon, is however still a member of DSA (Smith, Ernie. September 19, 2014. It's Not Me, It's You: Why Avon Left an Association It Helped Found. *Associations Now* - https://associationsnow.com/2014/09/avon-left-association-helped-found/ Accessed November 2020; Direct Selling News (DNS). September 30, 2014. Avon's DSA Withdrawal Raises Questions. https://www.directsellingnews.com/avons-dsa-withdrawal-raises-questions/ Accessed November 2020).

[44] According to 2019 DSA data, the breakdown of independent sales consultants (ISCs) across Canada by age is: 18-34 = 29%; 35-54 = 34%; 55-64 = 17% and 65+ = 11%. Individuals have to be 18 years to become ISCs - https://www.dsa.ca/industry-statistics-and-research/ - accessed April 2020

[45] Their ages became known during the respective interviews. Their presence in the sample was analytically beneficial.

[46] Hence some still attempted to make the most of their time with me by subtle (and not so subtle) solicitations.

[47] Since I was writing for the most part, I informed participants from the outset that I may not be making a lot of eye contacts with them because of extensive notetaking either because they disallowed recording or

as back-up in case of equipment failure and because of challenges presented by the context. None seemed to mind this. In some odd way, it may have encouraged more loquaciousness.

[48] This was always with participants' acquiescence. They seemed to enjoy the discussion.

[49] This happened many times and, in a few cases, it was very exasperating. For example, a potential participant rescheduled three times and changed locations twice. On the third occasion, I thanked her for the willingness to participate and expressed my understanding that her calendar has made it difficult for her to do so this time.

[50] One was online. It was innovative and highly interactive.

[51]At two events, a few colleagues were privy to my purpose, but all requested non-disclosure.

[52]Practitioners frequently used "network marketing" as their preferred (more respectable) terminology.

[53]I was given information packages at meetings attended as part of typical recruiting process.

[54] A participant strongly recommended I buy and read a core motivational book for the sector and offered me a copy for purchase on the spot during our discussion. I bought it

[55] https://pyramidschemealert.org/

[56] Some straddle both sides of the spectrum as sympathizers and opposers depending on the context.

[57] www.yorku.ca/grads/policies_procedures/research_ethics; Ethical Conduct for Research Involving Humans http://www.pre.ethics.gc.ca/pdf/eng/tcps2/TCPS_2_FINAL_Web.pdf

[58] Although the ethnic event I attended was non-MLM, the informants that facilitated my presence there also demanded covert participation even though the objective simply was for me to connect with possible interview participants that they expect to be in attendance. This objective could not be rationally made public. It was also somewhat unnecessary to do so especially as the event was open to those who purchased tickets even as non-ethnic persons. I purchased tickets both for the main event and activities attached to it as requested and this legitimized and normalized my presence.

[59] Again, this required strict adherence to the ethics protocol and my personal sense of integrity. For example, at an event, I deleted digital recording of a flowchart explanation and a 5–8-minute recording of part of a speaker's speech which most around me were also recording. Initially, I felt it was legitimate to do so because of my host's frequent whispers to do as well as by the general invitation by the master of ceremony to do so. I also felt that reviewing and reflecting on the recordings would be useful. On further reflections after the event however, I did not think it ethically legitimate to keep and use the digital recordings because I was strictly unlike the actual members and their guests. I then deleted these forthwith and neither accessed nor reviewed them as intended.

[60] This protocol was only reversed in one interview in that the hardcopy was signed and exchanged a few hours after the face-to-face discussions: For this informant, the consent form had been sent and discussed prior to meeting at a restaurant. However, I brought no extra hardcopy for the interview; a recorded verbal consent was given by the informant who insisted the discussion continue.

[61] A few participants even added some notes to explain or clarify some facts that they conveyed.

[62] The leaders I met during field research were however not reticent to state the range of income they make from their MLM activities. These was their way of advertising for recruits and to increase commitment in their recruits.

[63] Coming from the background of MLM testimonials that makes it acceptable to talk about enhanced revenue through MLM, participants are very reticent to talk about their MLM income when expectations fall below their experiences.

CHAPTER 2

TOWARDS A FRAMEWORK FOR STUDYING MLM, PRECARIOUSNESS, AND IMMIGRANT LABOUR FORCE INTEGRATION

> *It doesn't make sense! Why is it that when you are new to the country, why can't they give you a pass … why do I have to go through medical school all over again to learn what I have already learnt? … If your accent is off, or your behaviour is a certain way, you are the problem, not them…. If I am speaking to someone from -- --[country of origin], I don't speak[1] like this.*
>
> *You can choose your education, but when it comes to job, then it becomes problematic. I am discriminated against…I come from a large family; many of them have been turned down because of the way they look.*
>
> *You can't find a full-time job with benefit. If you have one, you are afraid that you are going to lose your job. People have contract jobs. You can't get to the bank to ask for a mortgage with a contract job. They will turn you away".*

The statements above are excerpts from the discussion with a participant over the course of two hours. The concerns expressed by this participant are representative of the generality of immigrant participants' concerns irrespective of the length of time they have been in Canada and their involvement with MLM. The frustrations expressed by native-born Canadians in the study are similar, yet different because they direct their frustrations specifically at their employers or jobs, while immigrant participants' censure is towards both their employers or jobs and the system of inequity in the labour market that limits their collective and individual progress. Obtaining coherence and understanding the nuances of data collected from interviews, fieldwork, and industry

research requires an evaluative framework of analyses that is set against the backdrop of existing research on the subject. This chapter reviews existing knowledge about immigrant integration, MLM and contemporary labour market. The chapter also discusses the analytical framework and allied theories and concepts employed as analytical tools to organize data outcomes. The chapter is divided into three sections. The first section provides a review of academic literature on immigrant integration, MLM and precarious work. The second section outlines the theoretical framework and the chapter concludes by reviewing key concepts central to the study.

2.1 REVIEW OF SCHOLARLY LITERATURE

> *For full freedom, there must be an equal right to basic socio-economic security… If a person has no security, not only will she be vulnerable, but it would be unreasonable to expect her to adopt so-called socially responsible behaviour (Standing 2008).*

This section reviews research on immigrant integration, MLM work, and precarious employment. Studies of immigrant integration highlight the pervasive challenges that impede immigrants' pursuit of economic and social inclusion through employment that aligns with their credentials, as well as their subsequent recourse to precarious work and entrepreneurial activities (Ci and Hou 2016; Bonikowska, Hou Picot 2015; Reitz, Curtis and Elrick 2014; Oreopoulos 2011; Preston et al. 2011; Salaff et al. 2007; Zietsma 2007; Galabuzi 2006, 2001). Likewise, this study also focuses on whether immigrants' resorting to precarious work and entrepreneurial activities specifically includes MLM.

With respect to MLM, few scholarly studies exist. There is, however, an abundance of non-academic[2] writing and communication about the MLM sector by individuals, interest groups, MLM organizations (MMOs), and associations such as the DSA (Direct Sellers Association) and ANMP (Association of Network Marketing Professionals). Such communication is mainly online, but also includes books, videos, and audio recordings.

Finally, literatures on precarious work highlight its conditions, effects, and dimensions. As indicated in Chapter One, this research proposes that immigrants work in sundry employments that do not align with their skills, including MLM work, and that this state of affairs results from barriers that collectively block the transfer of their skills to the Canadian workplace. It is important therefore, to review issues around precarious work and identify its connections with immigrant integration and MLM.

2.1.1 Literature Review on Immigrant Integration

Attracting and selecting skilled immigrants who will integrate quickly into the labour market and have labour market earnings commensurate with their human capital is central to Canada's immigration policy (Agopsowicz and Billy-Ochieng 2019; Hou and Picot 2016). That Canada has attained immense international recognition for being successful in attracting skilled immigrants is attested to by OECD's commendation in 2019 and the fact that some G7 countries seek to copy our immigration model (Agopsowicz and Billy-Ochieng 2019; OECD 2019). Also, a 2017 Gallup poll[3] declared Canada as a favoured destination country of potential immigrants, second only to the United States (Agopsowicz and Billy-Ochieng 2019). However, Canada has not been as successful in effectively integrating those we attract. Adopted in 1967, the key aspect

of Canada's model for managing its labour immigration centres on the points system that selects economic immigrants based on their human capital. This has been refined over the years for efficiency (Hou and Picot 2016). This reform process, particularly in the 1990s and early 2000s (most recent being in 2014), has included: (i) modifications in the allocation of points to required human capital characteristics; (ii) renaming the system as the Federal Skilled Workers Program (FSWP); (iii) the introduction of a provincial corollary to the FSWP called the Provincial Nominee Program (PNP); and (iv) the expansion and creation of new and existing programs such as the skilled-trades program and the Canadian work experience program. While the first three facilitate ministerial responses to perceived occupational shortages, the last one allows international students with work experience or foreign temporary workers to become landed immigrants (Hou and Picot 2016).

A major outcome of the introduction of the points system in 1967 is that it opened immigration opportunities to applicants across the globe outside of the traditional European nations. This expansion of immigration opportunities to non-European countries, however, began to raise concerns over the economic integration of professionals from these new sources and such concerns have been intensifying since the 1970s. These concerns centred on the fact that despite high educational attainment and work experiences, incoming immigrants most of whom are from non-European source countries are disadvantaged in the types of jobs and remuneration accessible to them (Agopsowicz and Billy-Ochieng 2019; Frenette 2018; Picot, Hou and Qui 2016; Frank 2013; PEPSO 2013; Oreopoulos 2011; Preston et al. 2011; Galabuzi 2006, 2001; Vosko 2006; Aycan and Berry 1996; Warburton 1973). By 2020, concerns over

economic and social integration persist and haunt successive immigrant cohorts without mitigation (Ibid).

Scholars and analysts draw attention to both interim and long-term social, economic, and psychological implications of under-utilized and unutilized immigrant resources for Canada and its immigrant arrivals (Frenette 2018; Wilkinson et al. 2016; PEPSO 2013; Zuberi and Ptashnick 2012; Anisef, Sweet and Frempong 2003; Hum and Simpson 2000, 2002; Kazemipur and Halli 2001; Li 2001ab). Policies and mechanisms introduced to mitigate the issue and facilitate their transition into the formal workforce have been less[4] than effective because of the underlying fact that foreign qualifications and experiences continue to be devalued in the labour market. As underutilized resources, new immigrants continue to settle for survival jobs (Lu and Hou 2019; Frenette 2018; Wilkinson et al. 2016; McMahon 2013; PEPSO 2013; Creese and Wiebe 2012; Zuberi and Ptashnick 2012; Grant and Shevaun 2007; Galabuzi 2006; Hum and Simpson 2004, 2000; Li 2001ab).

In 2001, Kazemipur and Halli's comparative analyses of the problem found that, as in the US, Canadian immigrants and more so, visible minorities who are recent immigrants, are consistently overrepresented among the poor. Galabuzi (2006) referred to this as economic and social apartheid. A decade later, Bonikowska, Hou and Picot's comparative study (2011) also discovered that the relative wage outcomes of university-educated new immigrant workers between 1980 and 2005 were generally superior in the United States. They expressed concern that the inferior economic outcomes for highly educated immigrants in Canada relative to other major receiving countries could

eventually dissuade highly skilled workers from relocating to Canada. Using Canadian census labour force data, Reitz (2005:3) had earlier lamented that:

> Foreign-educated immigrants earned $2.4 billion less than native-born Canadians with formally comparable skills, because they worked in occupations that were below their skill levels. ... At least two-thirds of these unutilized foreign-acquired skills - worth $1.6 billion - are in fact transferable to Canada, in the sense that these skills would have productive value if used in the Canadian context.

And in terms of comparative earnings and employment, Reitz asserted that:

> Earnings of newly arrived immigrant men, which in 1980 had amounted to about 80% of those of native-born Canadian men, had dropped to 60% in 1996. ..... In 1980, the employment rate for newly arrived immigrant men was 86.3%, close to the 91% for native-born Canadian men. By 1996 it had fallen to 68.3% for newly arrived immigrant men, as compared with 85.4% for native-born Canadian men (Ibid.).

Contemporary studies confirm the situation to be unchanged and, in some respects, even worse (Hou, Yao and Schimmele 2019; Agopsowicz and Billy-Ochieng 2019; Frenette 2018; ESDC 2016[5]; Wilkinson et al. 2016; Frank 2013; PEPSO 2013; Picot and Sweetman 2012). For example, in their 2019 review[6] of the Canadian labour market, RBC economists noted that:

> The fact that immigrants earn less than their Canadian-born counterparts **isn't new**. **What's even more concerning is that the gap has gotten worse** [*emphasis added*] as we've increased our focus on so-called economic immigrants—those selected primarily for their potential economic contribution to the country, and the skills and education they bring. The gap in median earnings between the Canadian-born and those born elsewhere was 3.8% in 1986. By 2016, it had widened to 10.3%. The worsening occurred even though newcomers became more educated relative to previous immigrants and to the domestic-born population.

The above confirms a prior claim made by Wilkinson et al. (2016) in which they had similarly noted that recent cohorts of new immigrants experience even more difficulty integrating into the Canadian labour market than past cohorts. Wilkinson et al. based

their pronouncement on a 2013 random survey of 3,000 recent immigrants in four Western Provinces between 2008 and 2012.

In 2013, the PEPSO (Poverty and Employment Precarity in Southern Ontario) research group noted that in Southern Ontario[7] new Canadian immigrants remain unwholesomely represented among the poor. According to PEPSO (2013:21) research, this is because "newcomers are more likely to be in precarious employment" well over a decade after landing in Canada. Specifically, compared to non-immigrants and immigrants landed over 20 years, the employment of "new immigrants [is] **mainly** in the precarious cluster" (p.9) [*emphasis added*]. The significance of this increases in light of findings by Ci and Hou (2016:6) that "the first paid employment of immigrants either in low, medium-low or high paying firms in Canada is a strong predictor of their long-term labour market outcomes". The situation is thus exacerbated by the disconnect between low labour market demand and the high admission of skilled immigrant workers through Canada's FSWP (Federal Skilled Worker Program) and the PNP (Provincial Nominee Program), which attract a high influx of highly educated and skilled workers to the country (Lu and Hou 2019; Frenette 2018; Sweetman and Warman 2013; Wilkinson et al. 2016). The net outcome is continuing underutilization of immigrant resources for Canada and unrealized aspirations and hardships for immigrants themselves. The prevalence of the situation is further highlighted by Lu and Hou's (2019) comparative analyses of "the mismatch between the education and occupations of immigrants in Canada and the United States" using the 2016 Canadian census and equivalent American data[8]. Like Bonikowska, Hou and Picot's 2011 study above, they found the

gap between education and occupation amongst recent immigrants to be much more pronounced in Canada than in the United States.

The statistics for women are even more abysmal. Collectively, immigrant women, especially newcomer women, reportedly find integration into the labour market more challenging relative to their male immigrant counterparts (Fox and Moyser 2018; Moyser 2017; Hudson 2016, 2015; Premji et al. 2014; Chui 2011). This is because they encounter discrimination on two fronts - as women and as immigrants. In general, women are disadvantaged in their access to employment and pay relative to men (Ibid; Vosko 2010, 2006). Their unequal access to economic and labour market opportunities is exacerbated by the fact that they carry a disproportionate share of housework, childcare and eldercare. Hence not only are women overrepresented in low-waged precarious jobs, they are said also to be under-represented in some of the best-paying jobs – most acutely in management jobs. A recent labour market analysis by RBC Economics in commemoration of 2019 Women's day (Desjardins and Agopsowicz 2019) asserted that "even for Canadians aged 25 to 29 years old, an employed man is almost twice as likely to be in a management occupation as a woman (6.8% versus 3.9%)". Compared to their Canadian-born counterparts, immigrant women, particularly recent immigrants are said to be short-changed in both their access to employment and relative earnings (Moyser 2017; Hudson 2016, 2015; PEPSO 2013). Using the 2011 national household survey, Hudson (2015:27) reported that, despite higher education[9], immigrant women within the core 25-54 age group experience more persistent challenges finding suitable employment compared to their Canadian-born[10] counterparts. They have lower employment and higher unemployment rates vis-à-vis

the Canadian-born. According to the report, 48.7% of all immigrant women and a whopping 60.1% of recent immigrant[11] women in the same 25-54 core age group with a bachelor's degree or higher had employment that did not require any degree, as compared to 30% for the Canadian-born. Years earlier, Galabuzi (2006:126) had sounded the alarm in asserting that gender compounds the general discrimination trend that continues to shape the overrepresentation of immigrants in low-paying jobs. Galabuzi described the experiences of women in the workplace as one of "double jeopardy" because, more than their male counterparts, women are inequitably segmented into retail and service jobs[12] with no prospects of advancement. Sadly, other recent studies confirm the prevalence of this problem (Pelletier, Patterson and Moyser 2019; Desjardins and Agopsowicz 2019; Premji et al. 2014; Frank 2013; Law Commission of Ontario 2012; Desjardins 2011; Preston et al. 2011).

These statistics are especially alarming considering the rigorous screening and selection processes that potential immigrant hopefuls undergo prior to their admission into Canada as skilled immigrants. Unlike the United States, Canada's points system that stringently measures potential immigrants' economic fit with the needs of the Canadian economy supports entry of some of the most qualified, highly educated and skilled people without the added cost of providing their education (Lu and Hou 2019; Wilkinson et al. 2016; Bonikowska, Hou and Picot 2011; Salaff and Greve 2003). This category of immigrants, which usually accounts for over 60% of total immigrants, enter Canada anticipating a smooth transition of their skills from their home country as they integrate into Canada's economy (Salaff et al. 2007; Wong 2006; Reitz 2005; Hum and Simpson 2004, 2002; Picot 2004; Owusu 2000). However, this turns out not to be the

case because most do not attain the prosperity promised by Canada's international image and the confidence-inducing screening they were subjected to before obtaining landing documentations. Thus, we see a situation on the one hand where Canada as a host country successfully attracts and rigorously selects well-educated immigrants to potentially benefit the economy as they elevate their living standards. On the other hand, there is the conflicting situation wherein these same rigorously selected immigrants are unable to convert their carefully screened skill sets and training to either benefit the economy or elevate their own standards of living because of the prevailing employment environment, which is described by Reitz (2005) as 'unfriendly'. Instead of a life of relative prosperity and well-being, many find their lived experiences to be in a state of perpetuated precarity that negatively affects their mental and physical well-being (Ibid). This is because while expectantly awaiting the opportunity to integrate into the workforce as per their credentials, they accept non-equivalent survival jobs for subsistence and to fulfil their economic and social obligations. For many however, despite the wait, their job expectations never materialize (Ibid). This is the situation that Warner (2001), borrowing from Reitz's concept of underutilization (2001), refers to as *brain waste,* which Agopsowicz and Billy-Ochieng (2019) quantify as $50 billion in *economic waste*. The lived experiences of study participants as highlighted in subsequent chapters reflect the unfortunate but continuing fact that immigrants are either not "able to find work in their field, or not reaching wage parity even if employed in the field of one's choice" (Agopsowicz and Billy-Ochieng 2019).

Many reasons have been adduced for this situation, the most prominent being the devaluation of foreign credentials and the insistence on Canadian experience by

potential employers. This is not new. According to Li (2001b:25), data and reports as early as the 1981 census show that non-recognition of foreign credentials and the "insistence by employers on having Canadian experience as a condition of employment explain why, for example, Asian immigrants were less likely to be in professional and managerial jobs, despite their relatively high educational attainment." Other factors said to also hinder integration are lean (employment) networks, language proficiency, unfamiliarity with Canadian workplace practices, racial and gender discrimination and the tendency of immigrants to disproportionately settle in larger Canadian cities such as Calgary, Toronto, Montreal and Vancouver (Frenette 2018; Bonikowska, Hou and Picot 2015; Galabuzi 2006; Wong 2006; Hum and Simpson 2004; Warman and Worswick 2004). Studies also reveal blatant discrimination against job applicants with non-white names and foreign accents (Kayaalp 2015; Block, Galabuzi and Weiss 2014; Oreopoulos 2011). The fact that some study participants claimed to have changed their foreign names to English-sounding names to advance their chances of employment disturbingly attests to the prevalence of discriminatory employment barriers experienced by non-white immigrants.

In terms of race and gender, while all immigrants encounter difficulties integrating into their employment of choice, females and non-white immigrants are especially disadvantaged. For example, at the turn of the 21st century, referencing other studies as well as his own earlier work, Li (2001ab) asserted that non-white immigrants from Asian and African countries have *lower earnings* than do native-born Canadians and their white immigrant counterparts from Europe, even after accounting for differences in education and occupation. Citing Scassa (1994)[13], Li (2001b:25) noted that:

> Non-native speakers of the dominant language encounter discrimination in employment and in access to services on the basis of their language characteristics, and that their lack of fluency, their accent of speech, and their deviations from the language standard of the dominant group can be used as bases of unfavourable treatment and as surrogates of racial discrimination.

Buttressing these assertions with the 1996 census' microdata, Li (2001b:16) calculated the 'market worth' of immigrants' foreign credentials and concluded that the gender and racial characteristics of credential holders cannot be separated from the credentials themselves. He recommended that even where policy changes may bridge some level of discounted foreign credentials, it is necessary for Canada to address the larger issue of racial and gender discrimination, which, in contemporary Canadian society may be subtle, less visible and therefore difficult to pin down and challenge. It is real and disheartening nonetheless for immigrants at the receiving end of such prejudice (Reitz, Curtis and Elrick 2014; McMahon 2013; Salaff et al. 2002; Warner 2001; Owusu 2000; Wong 2000). Galabuzi (2006) attests to the racialized and gendered challenges and forms of discrimination that continue to confront non-white immigrants. The more recent study by Wilkinson et al. (2016) mentioned above confirmed the continuity of this state of affairs. They similarly identified racial and ethnic discrimination as a significant impediment to the economic integration of recent immigrants.

As reiterated by others above, Wilkinson et al. and Li's findings are particularly relevant against the backdrop of the demographics of new immigrants to Canada, who in recent times have increasingly come from Asia and Africa. For example, between 1981 and 2001 the proportion of all immigrants that came into Canada from traditional source locations (US, Europe) fell from 65% to 28% (Picot 2004:36-37). During the same period, those coming from regions including Eastern Europe, South Asia (India

and Pakistan), East/West Asia (China, Korea and Japan, Iraq, Iran Afghanistan), and Africa increased to 72% from 35% (Ibid). The 2016 census indicates[14] that the majority of Canada's 1,212,075 new immigrants who landed between 2011 to 2016 which represented 3.5% of Canada's total population, were predominantly from Asia and the Middle East (61.8%), Africa (13.4%), and Europe (11.6%). Most of these recent immigrants (60.3%) were admitted as economic immigrants, with 85.3% coming in through the FSWP or the PNP. Yet despite higher qualifications relative to Canadian-born, these immigrants have lower level of economic integration owing to recurrent credential devaluation, along with racial and gender discrimination. The findings of the 2007 exploratory study on the black community in Peel region[15] confirmed the lived reality of racial discrimination poignantly exhibited in the words of a Ghanaian immigrant in Wong's (2002:56) decades-old study: "the most difficult thing about being in Canada... it's being an African ... it is something you have to deal with every day". This is the dilemma of non-white immigrants that study participants affirm.

For Creese and Wiebe (2012), McCoy and Masuch (2007), and Galabuzi (2006), deficiency in economic integration deskills even as it is racialized and gendered. These researchers have pointed out the inequity of the government's selection process that prioritizes recruiting highly educated immigrants but that fails to ensure they get adequate work, bottlenecked as it were by issues of Canadian experience and credential deflation among other things. This leaves immigrants in a bind where they resort to other more accessible alternatives, including entrepreneurship, which fail to significantly improve their material well-being or offset the structural barriers that assail them in the labour market (Picot and Ostrovsky 2017; Abada, Hou and Lu 2012; Salaff

et al. 2007; Salaff et al. 2002; Li 2003, 2002, 2001). Indeed, Li's study (2000, 2001a) among Chinese immigrants at the turn of the century revealed that self-employed immigrants have lower economic returns than those in wage-work and this gap only increases over time.

More recently, Picot and Ostrovsky (2017) and Green et al. (2016) also noted that not only is the rate of entrepreneurial venture higher among immigrants than among the Canadian-born, immigrants, particularly recent immigrants tend to have unincorporated[16] businesses or small incorporated[17] businesses with one or no employees. These businesses tend to serve as their secondary rather than their primary income source[18]. In relation to incorporated businesses, not only are owners of immigrant-owned private incorporated businesses typically male and more highly educated than their Canadian-born counterparts, the average size of such businesses is also said to be smaller than similar businesses owned by Canadian-born owners. Overall, immigrant businesspersons are also said to mostly experience lower pay, higher rates of business failure and generally have higher education than their Canadian-born counterparts. Of particular interest in light of data collected for this study, is the assertion by Green et al. (2016) that immigrants' ventures into self-employment occur **after four to seven years** in Canada. Also significant is their assertion that incorporated and unincorporated immigrant-owned businesses with some modicum of success are majorly-owned by immigrants from Western Europe, which ranked fourth as an immigration source country in the 2016 census. This is followed by immigrants from China and India. Whereas immigrants from source continents such as Southeast Asia (which includes the Philippines) and Africa, both of which outrank Europe as key

sources of skilled immigrants in the 2016 census, are said to be the least likely to be private business owners. The significance of these findings in relation to the interview participants in this study will become clear in Chapters Three and Four.

Li (2001a) however, as one of the early researchers on the dual subjects of immigrant economic outcome and immigrant self-employment, had noted that immigrants' foray into entrepreneurialism may not always be accounted for by the absence of economic integration. According to Li, some characteristics may increase an immigrant's preference for entrepreneurial activity including, arrival in better economic years, longer residence in Canada, higher educational levels, if older aged and if selected for human capital. In other words, Li seems to assert that immigrants who have a proclivity for entrepreneurial activities will venture therein out of choice rather than compulsion[19], especially if they are older and are well educated. More recent studies (Frenette 2018), however, point to difficulties in local labour markets as a stronger "push" effect on self-employment among immigrants as compared to Canadian-born or the children of immigrants. Determining whether immigrants engage in MLM's entrepreneurial venture is a matter of choice or the result of a dearth of alternatives that compels is a focus here.

It is said also that the government's inability[20] to ensure employment that will help its teeming pool of carefully-selected skilled immigrants ease into the mainstream labour market turns such immigrants towards their ethnic networks (Salaff et al. 2002; Li 2000). According to Frenette (2018), this accounts for the tendency of new immigrants to settle in locations where they have high ethnic presence, which counterproductively overburdens these locations. The extent to which ethnic networks improve immigrants'

welfare and ameliorate the structural disadvantages immigrants encounter in Canada is important to ask. The question then is whether ethnic networks help immigrants integrate better economically by eliminating or ameliorating their structural disadvantages - at least in terms of employment. What is also important to consider is how immigrants connect with their respective ethnic networks, and where their points of connection or linkages lie. It is also worthwhile to explore whether ethnic networks can potentially isolate immigrants from the broader communities of their new society. Thus, if immigrants indeed turn to ethnic networks for economic integration, the enabling role of such networks needs to be explored. This is the focus in Chapter Six.

2.1.2 Literature Review on Multilevel Marketing (MLM)

Historically, MLM was first employed as a system of distribution in 1934 by Carl Rehnborg when he started a company called the California Vitamin Company, later renamed Nutrilite Products Inc (Barrett 1999)[21]. Rehnborg developed vitamins in the 1920s and operated his company as a SLM direct sales company until 1934, when he introduced a new payment system which allowed existing SLM personnel - referred to as distributors - to introduce new distributors to the company, and earn 3% commission on their sales. This commission continued indefinitely and allowed distributors to build their own sales force incomes. The system was successfully adopted by Amway, which took over the Nutrilite products in 1957, and other companies such as Avon (already operating the SLM plan), Mary Kay, The Longaberger Company, Tupperware and Pampered Chef etcetera. The rise of MLM was premised on the philosophy of helping individuals to enhance their economic prospects and work within their own schedules. Women were particularly able to earn and expand their income by leveraging on the

composite sales of other people and their domestic social roles[22] through the flexibility offered by MLM. To recruit individuals, MMOs and their key historical personnel, such as Brownie Wise[23], employed the concept of altruism. Specifically, they emphasized the notion of helping and educating people by providing them the means to enhance the quality of life for the MLM worker on one hand and the customers they serve on the other (Clarke 2014). The notion of altruism continues to permeate MLM practices.

MLM started with the use of catalogues, door knocks and product demonstrations in situations such as sales parties at distributors' or consumers' homes, through one-on-one contacts in-home, and at workplaces, churches or other convenient locations (Young and Albaum 2003). It has, however, smoothly transitioned and efficiently incorporated technology into its processes. Many MLM workers currently carry out their MLM activities in-person, by email or phone, through social media, as well as through personal websites to which they direct customers to place their orders for which they will be credited[24]. Even prior to the COVID-19 pandemic, training was mostly online through webinars and personal study using resources provided by the affiliate MMOs[25]. This simplified the transition during the period of the COVID-19 pandemic, with platforms such as Zoom and social media providing key resources for interacting with customers and team members.

MMOs can be categorized by product category, into product-based and service-based MMOs. The product-based MMOs sell apparel, food and nutrition, electronics, cosmetics, kitchen, health, wellness, financial products, household, personal care and communication products. Service-based MMOs sell exercise programs, financial services and products, advertising, real estate, communications, legal and billing

services. Some, such as those in real estate and financial services (insurance and mutual funds) require licenses to practice. Operatives who join such MMOs have a waiting period during which time they cannot earn income until they obtain their licenses. The earliest adopters of MLM include Amway, Avon, Tupperware, The Longaberger Company and Mary Kay. These are mostly product-based. An overview of selected key MMOs is attached as Appendix D.

The MLM phenomenon has not generated the same level of academic interests as have issues of immigrants' integration. Hence, available studies are mainly by researchers in the fields of business, marketing, economics, though there are some isolated studies from researchers in psychology, anthropology and sociology. Typically emphasizing perspectives relevant to their disciplines, such studies focus predominantly on ethical, psychological, economic, and industry-specific issues and strategies that underlie, sustain and advance MLM. Analysing the economic benefit derived therein, Bhattacharya and Mehta (2001) asserted that the commitment and behaviour of those engaged in MLM work, which they labelled 'cult–like behaviour', cannot be accounted for by the economic returns, which they described as 'disproportionate' with their inputs. They concluded that MLM seems to satisfy some other non-economic, social needs of operatives. Koehn (2001) examined what she called "unique ethical issues" posed by MLM that defy easy answers. She declared its operatives' modus operandi of recruiting friends and relatives into their MLM networks as coercive and unethical. She also dubbed the practice that MLM recruiters typically have of withholding potentially critical information from prospects as part of their recruiting process (discussed in Chapter Three), as unethical, which converges ultimately in strained relationships and alienation.

Correspondingly, this study enquires into the entry processes (recruitment) into MLM, the factors that influence people's entry decisions, and whether deception or coercion was in any way employed. With attention to ethics, but with a socio-cultural twist, Bloch's (1996) ethnography in New Zealand also indicated that the conventional process of promoting MLM to people's circle of friends and relations (immediate network) is ethically unacceptable in Western society and could result in rejection and alienation of MLM participants. He claimed that this is because for most, MLM is not the viable work opportunity presented at recruitment points. Nor does it result in the anticipated high financial return. Instead, MLM frequently results in fractured relationships and disappointments. According to Bloch, the few who become financially successful in MLM do so at great social and psychological costs to themselves and others as they persist despite rejections, protests, and resentments from those within their social orbits that they commodify as earning opportunities. Over time, the worker's circle of relationships is said to shrink to mostly fellow MLM workers, which to Bloch, in alignment with Bhattacharya and Mehta (2001), accounts for their commitment.

Examining what they referred to as the 'bait and hook' strategic use of narratives in the recruitment process, Gabby and Leenders (2003) concluded that recruiters strategically use narratives to create trust in their recruitment prospects, who are typically friends and acquaintances. Through narratives, recruiters manipulate prospects' perceptions of the evidence underlying their decisions to become MLM operatives as rational, which previously did not appear so. They asserted that narratives also help recruiters revalidate their own decisions to trust and thus (re)commit to MLM. In this way, commitment to the sector is advanced. Also intrigued by the recruiting

techniques and strong emotions that MLM companies aroused in operators, Pratt (2000ab), Pratt and Rosa (2003) and Pratt and Barnett (1997) explored how Amway organizes members' identification. In a study of Amway, a major MLM company, Pratt (2000ab) claimed that Amway uses two types of practices to manage its members' identification and commitment. He deems one as a sense-breaking practice, which breaks down meaning, and the other, a sense-giving practice, which gives meaning. The success or failure of both practices (working simultaneously and seamlessly) for any individual makes the difference in positive and strong feelings of identification for the organization. To buttress his point, Pratt quoted (p. 456) a speaker at an Amway event as follows: "People say that we brainwash people. That's true. We are talking about brainwashing – to make you all more positive people".

Peter Cahn's (2006) study focused on the process of retention and establishing commitment using religious and inspirational narratives to produce docile workers that remain zealously active despite the absence of the promised economic, social and health benefits. After attending over two dozen meetings by Omnilife, a prominent MMO in Mexico, Cahn (2006:126) concluded that:

> Person-to-person marketing is not a rationalist response to neoliberal economic reforms but, rather, a spiritual one. ... Quasi-religious organizations like Omnilife promise workers a renewed self-image that restores the balance between individual interests and obligations to others that has been disrupted by neoliberal economic reforms. In pursuing this total transformation, workers accept mechanisms of control that mask the company's overriding profit motive.

Cahn (2006:129) reveals how this occurs in an excerpt from one such meeting where inspirational and market discourses are effectively blended:

> Don't open your eyes until you know why you are living again, what motivates you. God gives us everything. We deserve abundance. I earn $40,000 a month... We have to decide for ourselves to change our lives. Maybe you'll say I'm crazy. Each of us has to decide - it's a lot of work. It's not easy; it's not

> overnight. But it hurts more to be the person without the desire to change. What do I have to do? Look for my faults, identify what's held me back. What am I doing that doesn't allow me to advance? Then change my habits. We'll see results when we conquer our fears. We all have fears. We see the butcher or the storekeeper and debate whether we should tell him about the [Omnilife] products, but fear paralyzes us, and the moment passes. As the saying goes, "He who doesn't talk, God doesn't hear.

Overall, Cahn, like others, reveals a keen interest in entry and retention processes. However, none of these existing studies specifically centre on immigrants in MLM, which is the central focus of this dissertation. As the intention of this dissertation is also to determine MLM's viability for immigrants and the extent to which MLM can contribute to or alleviate their experiences of precariousness as they aspire for economic integration, this chapter now reviews literature on precarious work.

2.1.3 Literature Review on Precarious Employment

Substantively, issues of precarious employment are at the centre of this study. Given that precarious employment is identified as a defining feature of labour markets in Canada and the global North (Frenette 2018; Busby and Muthukumaran 2016; PEPSO 2013; Harvey 2010; Vosko 2010, 2006, Standing 2008, 1999), appreciating its nature and effect is useful. The term precarious employment is the broad[26] concept for employment arrangements that deviate from the standard relationship characterized by full-time, permanent positions with a single year-round-employer who also provides non-wage benefits (Frenette 2018; PEPSO 2013; Pupo and Thomas 2010; Vosko 2010, 2006). It references job quality beyond merely conventional considerations of wages or type of employment to include physical conditions and social environments of work such as the level of flexibility, skill development and sundry benefits, all of which impact the wellbeing of workers (Chen and Mehdi 2018:7; PEPSO 2013). Essentially, precarious

employment is defined succinctly by Vosko (2010:2) as “work for remuneration characterized by uncertainty, low income, and limited social benefits and statutory entitlements”. It is identified variously as non-standard[27] contingent work characterized by low remuneration, the absence of (or at best, restricted) advancement opportunities and health hazards from unsafe, harmful and intensified work processes and environments (Bosmans, Kim et al. 2017; PEPSO 2013, 2015; Pupo et al. 2010; Vosko 2010, 2006; Burchell, Ladipo and Wilkinson 2002; Munger 2001; Peck and Theodore 1998). These make subsistence a challenge for persons engaged therein. Scholars identify precarious work as mainly engaged in as a matter of necessity by persons whose options are curtailed by structural factors and social relations such as education, gender, disability, race[28], citizenship or immigration status, as well as other social identifiers. Glenday (2010:26) indicates that precarious employment negatively affects workers’ overall life and social choices, not just in relation to the quality of “income from paid employment”, but especially related to “material chances in areas such as health and well-being”. Findings from several contemporary studies[29] carried out by collaborative groups of academic researchers, universities, and interest groups such as the LCO (The Law Commission of Ontario) and the United Way confirm this assessment – that precarity is all encompassing in that it affects an individual’s overall existence. Precarious employment is thus ultimately unhelpful to the worker due to the various issues of inadequate remuneration, poor health and safety conditions, absence of non-wage benefits, flexibility, and skill development, as well as due to the embedded uncertainty (PEPSO 2013).

Along this line, Vosko (2010:2) identified precarious employment as determined by: [a] *employment status*, specifically paid versus self-employment (Munger 2001); [b] the *form of such employment*, specifically full-time versus part-time or, permanent versus temporary (Bosmans, Kim et al. 2017); [c] people's *social location* in terms of social/political relations such as gender or citizenship (Sharma 2006); and[d] *social context*, including geography, industry, or sector (United Way 2017; Peck 1996). These conditions exist in relation to the dimensions of labour market security, which is the specific operant historical condition (Harvey 2010; Thomas 2009; Boltanski and Chiapello 2006). The last factor, *dimensions of labour market security*, cyclically organizes the above-listed factors to determine the level and spread of precarious employment and its consequences for the workforce. Vosko summarizes the conditions of precarious employment as arising from:

- *Degree of Certainty of Continuing Employment* – related to whether a job is permanent or temporary (Preston *et al*. 2011).
- *Degree of Regulatory Effectiveness* – related to the existence (or otherwise) of formal protections, their design, effectiveness, and enforcement (Thomas 2009).
- *Control Over the Labour Process* – related to working conditions, wages, and work intensity (Burchell *et al.* 2002).
- *Adequacy of Income Package* – related to wages and benefits (Bosmans, Kim *et al.* 2017; Peck and Theodore 1998).

For Vosko and for some mainstream authors precarious employment at any point in time can be identified and evaluated on a continuum by the presence, scale and composition of the aforementioned four dimensions (Harvey 2010; Pupo et al. 2010; Pupo and Thomas 2010; Galabuzi 2006; Standing 1999). Pointing to its complexity, Vosko (2010) cautioned however, against a *one-size-fits-all* approach that homogenizes

the evaluation and features of precariousness in employments because of possible exceptions and the existence of less discernible and oft internalized, hidden yet debilitating stressors arising from work intensification, especially among professionals (Ross 2008; Burchell et al. 2002). The statement by Clement *et al.* (2010:58), that "even a secure long-term job may be labelled 'precarious' if it keeps one poor" concisely emphasizes this viewpoint.

The essential features of precarious employment suggest insecurity as its most common index and this relates fundamentally to inadequate income and fear of involuntary loss of employment and income (Gallie et al. 2017; Vosko 2010; Burchell et al. 2002:70). Transcending all employment forms and statuses, insecurity also encompasses the fear of losing relevance related to erosion or loss of employment conditions, advancement opportunities, specific status-related privileges, and control over the labour process, all of which precede possible and eventual loss of employment. Such fears result in worry and anxiety about work, its processes, relations, and remuneration.

Encompassing all of Vosko's (2010) enumerated dimensions of labour market security, insecurity is particularly amplified by prevailing social contexts (industry, sector) in relation to social location (gender, citizenship), employment status (paid versus self-employment) and employment form (full-time versus part-time or permanent versus temporary) (Vosko 2010; Munger 2001). Insecurity was a normalized fixture in the labour market by the closing decades of the 20th century as a result of employer strategies to combat the erosion of profits arising from fierce global competition and volatile markets (Harvey 2010; Pupo and Thomas 2010; Ross 2008; Peck and

Theodore 1998). Strategies such as downsizing and lean production techniques were adopted to protect organizations' bottom lines, altering the structure of labour markets and workplaces, and disadvantaging workers (Vosko 2010, 2006; Thomas 2009; Burchell et al. 2002). For this reason, Harvey (2010) declared insecurity inherent in employment as a strategy by capital and allies, which he calls the coalesced capital class, to increase profitability. This is achieved in part by enabling the perpetuation of hordes of surplus labour as key resources required to advance and appropriate the essential surplus value conducive to the capitalist system (Lewchuk 2017, 2008; Harvey 2010; Jessop 2008; Peck and Theodore 1998). In this context, the growth and entrenchment of flexible, contingent, and non-standard employment also established insecurity as the new norm and hallmark of the transitory nature of employment in the contemporary economy (Pupo et al. 2010; Thomas 2009:3; Peck and Theodore 1998). Insecurity preys on workers' disquiet and powerlessness over the "prospects of layoffs and redundancies" as they engage in the labour process (Burchell et al. 2002:70), rendering work and its processes as the veritable battleground for survival instead of the creative, interactive and collaborative social process that it ought to be (Bosmans, Kim et al. 2017, Peck and Theodore 1998).

For scholars, due to the latent threat of loss of job or status, insecurity festers and thrives within the framework of individuality fostered by the neoliberal ideology under the umbrella of capitalism, whereby neoliberalism operates as a disciplinary strategy that permits *peaceable extraction of surplus value* (Harvey 2010; Boltanski and Chiapello 2006). Neoliberalism breeds rivalry among workers who, in competition for scarce jobs, consider other persons (employed and unemployed) rather than capital as

opponents. Neoliberalism also deflects attention away from issues of collective exploitation, emphasizing instead individual success (Lewchuk and Dassinger 2016; Harvey 2010; Vosko 2010; Cowie 1999; Theodore and Peck 1998). Some scholars lament that, thus preoccupied with fortifying their own economic interests, workers unwittingly align with their exploiters and their continued exploitation, whereby the focus of rancour becomes other workers with whom they see themselves in competition (Ross 2008; Burawoy 1979; Peck and Theodore 1998; Sennett 1998). Therefore, to avoid unemployment and loss of economic and social viability marked by difficulty in making ends meet, workers engage in employment at inequitable remunerations and under conditions that may not conform with legislative requirements because the alternatives - unemployment and loss of income - are untenable (Ross 2008; Burawoy 1979; Peck and Theodore 1998; Sennett 1998). Pupo *et al.* (2010) and Theodore and Peck (1998) for example, lamented that insecurity subjects some workers to perpetual unfunded self-learning without a job guarantee just to improve their employment prospects even at low pay.

Low remuneration, identified by scholars as a key feature of precarious employment, refers to insufficient and inequitable direct monetary wages, as well as limited social benefits, such as health and unemployment insurance, and vacation pay (Vosko 2006:10). Low wages perpetuate deep insecurity among workers. While not limited to any specific sector, low remuneration is prevalent in retail, care-giving and seasonal job sectors with unusually high female presence in the global North and factory production in the global South (PEPSO 2013; Pupo et al. 2010; Jessop 2008). Vosko (2010, 2006) characterized precarious employment as the flip side of the

standard employment relationship (SER), in that those who are precariously employed exist outside forms of regulatory protection that were the bases for industrialization in the west (Harvey 2010; Thomas 2009; Braverman 1974). The concept of precarious work contradicts the security of the SER, which was the culmination of legislation and regulations that set acceptable standards of protection and guarantees for employee-employer relations in North America and Europe (Vosko 2010, 2006; Thomas 2009). As the cumulative product of a labour-capital compromise arising from labour unrest and threats to profitable local and international investments, the SER at its zenith guaranteed long-term employment with economic and social benefits, and applied mostly to men in core working-class jobs in the manufacturing sector (Pupo and Thomas 2010; Vosko 2010; Thomas 2009; Galabuzi 2006). Nonetheless, its operating policies became the normative basis for employment in capitalist democracies in the post-WWII period. Post-WWII concessionary labour policies facilitated symbiotic relations between capital and labour in ways that furthered profit maximization and guaranteed employment security for some. However, such practices typically excluded and marginalized women, non-citizens, and racial minorities (Pupo and Thomas 2010; Vosko 2010; Thomas 2009). In line with global trends and the perceived needs of the economy, the contracted exclusions from the SER, according to Vosko (2006:9), expanded with policy modifications that increased the categories of non-standard employment to flexible, contingent part-time, temporary, self-employment and multiple job holdings identified by the 1970s in the United Kingdom, United States and Canada as precarious employment. Nonstandard employment began to grow in the 1970s alongside the reorganization of work and the restructuring of employment relationships

that began in that period. These patterns accelerated through the 1980s and 1990s to create the conditions of precariousness that set the context for this dissertation.

Scholars noted that the heydays of the SER were relatively tranquil for capital and core white male citizens occupying privileged SER-centric jobs, in contrast to the nonstandard, mainly low-wage and domestic, jobs occupied by those Vosko (2010) described as being in the “margins”, including women, racial minorities, non-citizens and migrant workers. These jobs became the inadvertent scaffold that propped up SER jobs on two fronts. The first derives from insecure low-wage work performed by the greater majority of the labour-force, including unpaid social reproductive functions performed by females in the domestic arena (Pupo et al. 2010; Pupo and Thomas 2010; Vosko 2010, 2006). Secondly, the SER “secure[d] cooperation and surplus products” for employers, which enhanced the conflict-free annexation of surplus value while facilitating continuing precarity at the margins in return for secured long-term employment and income guarantees (Vosko 2010:4). In contemporary economy of flexible labour, the degradation of the SER expanded precarious work to previously privileged segments of workers. Hence, the nomenclature “precarious employment” applied as the general description of such employment characteristics is as much a cry for change as it is a lament of the loss of security. Latent within this are some yearnings for the return to the employment security of the SER by that segment of the workforce that benefitted from it, as well as those who had historically been marginalized in the labour market. Such a return is however problematic, because the SER, at its best, was neither universal nor equitable (Vosko 2010). Hence, a return to it along old lines, which at any rate is undesirable for organizations that have undertaken flexible labour

practices, is to consign the majority of the workforce to perpetual precariousness that normalizes an untenable hierarchy of exploitation among workers, a situation similar to the contemporary period. Not based on altruistic ideals of equity and social justice, but rather on what Boltanski and Chiapello (2006) referred to as the need for exploitation by peaceful means, the SER was thus not the total absence of precariousness but the relegation of precariousness to the margins away from the core (Vosko 2010; Thomas 2009). The SER itself was thus a tool of exploitation, which emphasizes class divisions between not only capital and labour, but also divisively within the labouring class itself (Ross 2008; Burawoy 1979). Indeed, its existence and success are indicative of the innovativeness and complexities of the capitalist system that, despite its internal contradictions and intractable devotion to accumulation of capital, continues to thrive, predictions to the contrary notwithstanding (Harvey 2010; Boltanski and Chiapello 2006; Sennett 1998).

While there is general recognition that negative outcomes from engaging in precarious employment cascade to dependents of workers and by extension, ultimately the larger society, the unit of analyses of the prime victims of precarious employment for most authors is essentially the individual worker (Herrmann 2006; Pupo et al. 2010). This perception unwittingly continues to fuel workers' dichotomous division of employment into good vs. bad despite Vosko's (2010) strident assertions that the complexity and variations of contemporary work relations transcend such simplistic evaluation or dichotomies (see also Pupo and Thomas 2010). Ross (2008) had noted that the characterization of employment into 'good' and 'bad' jobs by their deviations from the SER is the outcome of the focus on the individual, which though comparatively

useful, individuates and segments the workforce, while occluding perceptions of commonalty in relation to capital and the precarity that it dispenses. For example, obscured by segmentation is the fact that jobs indexed as ‘good jobs’ may well have unknown elements associated with precarious employment (such as work intensification) that jeopardize the well-being of persons engaged therein (Pupo and Thomas 2010; Ross 2008; Burchell et al. 2000; Sennett 1998).

Although analysts mainly examine the material conditions of precarious employment, its impacts on workers’ well-being are far-reaching. Beyond the material signs of poverty and deprivation (but stemming from it), precarious employment also encompasses the opaque issues of workers’ well-being (Burchell et al. 2002:93). The concern with well-being - as the overall physical, psychological, and mental health - is premised on the idea that work should enhance, not compromise workers’ overall existence (Gallie et al. 2017; Pupo and Thomas 2010; Burchell et al. 2002). These issues of mental and physical health in the course of employment are of interest because they are, for the most part, unacknowledged and unmitigated, which belies the harm to subjects. They derive from labour saturation and ensuing insecurity that makes the labour market a buyer’s market, whereby workers’ abilities to negotiate fair work conditions continue to dwindle, making the terrain of employment increasingly hazardous as the distance between unemployment and employment thins out without recourse for workers, who then become victims (Pupo et al. 2010; Peck and Theodore 1998). The ambiguities produced by job insecurity are exacerbated further by the normative tendency in modern societies to classify and value people by their employment statuses (Lewchuk, Clarke and De Wolff 2017, 2008; Pupo et al. 2010; Burchell et al. 2002; Munger 2001),

thereby producing the perfect storm for work that begets psychological and mental strain. Hence, individuals accept and cling tenaciously to untenable work relations and circumstances to escape the label of being unviable to society and possibly having limited access to social and economic supports (Pupo et al. 2010). Scholars point out also that health issues acquired by workers in the course of paid work frequently result in social isolation and alienation (Herrmann 2006; Burchell et al. 2002; Munger 2001; Peck and Theodore 1998; Sennett 1998). Studies by Burchell *et al.* (2002) reveal psychological strain as a key factor negatively affecting worker well-being and health, and they found this as positively correlated with the level of security prevalent in the labour process. For these researchers, the stress and psychological strain produced in the process of wage work manifest as "increased levels of anxiety and depression, a sense of uselessness, lack of self-confidence and dissatisfaction with oneself and one's environment" (p. 93).

Although Burchell and colleagues' research in the United Kingdom seemed to demarcate direct issues of insecurity from those of work intensification identified as the core source of physical and psychological misalignment for workers, work intensification is really spawned by job insecurity (related to fear of loss of job, status or benefits) under which it thrives and subsists. For example, permanent jobs may also be characterized by intensification as in, for example, the case in lean production auto manufacturing, where even permanent full-time employees work under intense conditions to preserve their job security. Even the respondents in Burchell *et al.'s* study admitted that they internalize the great physical and mental maladies they attribute to the demands of their work to protect their on-the-job relevance, a feature of job

insecurity. These researchers noted, however, that while material issues of precarious work such as job loss, underemployment, and low remuneration are easily identifiable and communicated, effects of work intensification are less obvious. This results in these factors not being recognized, which minimizes and overlooks workers' suffering and exploitation.

Defined by Wardell, Steiger and Meiksins (1999:23) simply as "getting fewer workers to produce more in less time and ultimately at lower cost", work intensification is not novel. Duffy (2010:169) asserted that it is the intensification of the working lives of people, which forces them to work longer hours and devote more years to education to enhance their employment viability and security. Alongside other scholars, these researchers see this as the plight of many Canadians especially visible minorities referred to by Galabuzi (2006) as *racialized groups*. It is the primary tool of exploitation and appropriation of surpluses from labour since the inception of capitalism (Gallie et al. 2017; Pupo et al. 2010; Vosko 2006; Burchell et al. 2002; Burawoy 1979; Braverman 1974). The history of work intensification is therefore as expansive as that of capitalism given that the capitalist project is to deploy labour's abilities to produce to well beyond its wage for the period of hire. Hence, from the historical inception of early capitalism described by Marx (1976[1867]) to Taylor's scientific management and the series of industrial actions in the pre- and post-WW2 periods (Braverman 1974), the goals of capital and labour continue to be at cross-purposes.

Situations of work intensification transcend all work and social categories with effects also extending beyond the individual victims to their relationships (Ross 2008; Wardell *et al.* 1999) as researchers in the PEPSO projects (2018, 2015, 2013)

uncovered. In this context, precarious work becomes that which compromises the physical and mental health of workers and their sense of well-being or happiness, sowing competition and discord. The question then is why workers remain in employment that compromises their well-being (Waddell *et al.* 1999; Sennett 1998). The production and nurturing of both local and international armies of 'idle' workers strategically creates environments of insecurity and desperation that constrain workers' choice by continuing to coerce them to engage in stressful work (Harvey 2010; Munger 2001; Peck and Theodore 1998). Contemporaneously, the phenomenon of intensification acquires a virulent quality as workers adapt to employers' demands at great risks to their own well-being simply to avoid un/under-employment and the insecurity accruing from loss of the source of livelihood (Pupo and Thomas 2010; Vosko 2006; Burchell et al. 2002; Burawoy 1979; Peck and Theodore 1998). The adaptability and acquiescence exhibited by workers to employers' demands take on the quality of choice and the coercive elements of the phenomenon remain below the radar even as the negative effects continue. These issues are featured in discussions with study participants in relation to both the labour market and MLM in the chapters that follow.

In general, analyses of precarious employment have not been widely extended to alternative forms of work such as MLM. This study will expand this literature by exploring the precariousness of this type[30] of work that is outside a formal employment relationship. Literature also highlights the intersections of the issues of immigrants' (lack or limited) integration with precarious employment. Again, this study will extend this intersectionality beyond the singular focus on the formal labour market to include MLM. These issues and nuances are examined over the following chapters.

2.2 THEORETICAL FRAMEWORK

Political economy is the overarching analytical framework for this study and this section outlines the applicable concepts and theorists associated with this framework. Along with a political economy framework, the study also draws upon insights from other relevant social theorists. This includes Tocqueville's (1835/2004) analyses of attitudes and predispositions nurtured in advanced democracies, which regulate, among other things, actions, interactions, and relationships. This also includes Barth's (1981) notion of *prestations,* by which social actors navigate the social and political minefields of interactions and transactions in pursuit of maximum benefits. It continues with Boltanski's collaborative works with Thévenot (1999) and Chiapello (2006), which focus on the rationalities that inform transactions within a system of coexisting bounded values proctored by a central ideological bent. The section concludes with Weber's (1905/2002) example of how the successful fusion of two discrete opposing systems of worth produced a new system of value and legitimacy that uniquely transformed and advanced the transactions and commitment of social actors than either of the component values independently could or did. These discussions begin with the following overview of the principle perspective.

2.2.1 The Political Economy Perspective

As the organizing framework, political economy offers an analytically robust understanding of society, which centres on a materialist perspective that tracks and connects the economic, political, and ideological moments and movements of social life (Clement 1997:3). A materialist perspective considers the power relationships that shape and determine the way that society is produced and reproduced (Vosko 2010; Marx and Engels 2002/1998; Clement 1997). Accordingly, it emphasizes the power

relations embedded in the conditions of production and social reproduction, as well as accounting for ideological influences in relation to material conditions. The perspective is premised on the viewpoint that the social and political organization of a society is embedded in, and defined by its system of production, distribution and consumption and is justified and normalized as legitimate through dominant ideologies. Scholars stress that since work, as employment, is the normative source of subsistence for those without ownership of the means of production, it determines their means of subsistence and overall quality of life (Pupo et al. 2010; Pupo and Thomas 2010; Vosko 2006; Munger 2001; Marx and Engels 2002/1998; Clement 1997; Braverman 1974; Marx (1976[1867]). Arendt (1958:87) elucidates this succinctly when she parallels life itself to labour. Since work (as employment) is said to reflect patterns of power that moderate agency and choice for the worker (Pupo et al. 2010; Vosko 2006; Standing 1999), considering MLM's part in ameliorating or exacerbating the difficulties experienced by immigrants arising from barriers that limit their access to work can be examined within the scope of this perspective. Hence, as an analytical approach, political economy helps focus attention on work as it relates to issues of *exploitation, wellbeing, choice, power, inequality and agency* undergirded as it were by the intersection of socio-political and economic influences existing within society (Harvey 2010; Vosko 2010; Clement 1997; Marx and Engels 2002/1998).

A key component of this perspective is that power relations arising from the relationship to the means of production spawn underlying tensions that shape and regulate social actions. A potential outcome according to Karl Marx ([1867]1976) is the eventual upending of this exploitative relationship by the action of the disadvantaged to

produce a relationship that is more equitable. This has not occurred, nor does it seem to be on the foreseeable horizon despite the enduring inequitable power relations of capitalism. This dissertation draws on these insights as an analytical tool to examine whether the barriers immigrants confront in the formal labour sector pull them into MLM. The economic and social impacts on their integration and overall wellbeing are examined.

Along with the political economy perspective, this study utilizes several additional concepts and perspectives to construct its analysis of MLM. Specifically, the concepts of *justification* (Boltanski and Chiapello 2006) and *worth* (Boltanski and Thévenot 1999), couched in Barth's (1981) ideas on *transaction* and Tocqueville's (1835/2004) twin passions of *equality* and *liberty*, which are allied to issues around associations and *social networks*, are all integrated to enhance the political economy approach to understanding power relations and social outcomes. These include the contexts that shape immigrants' choices in relation to their integration vis-a-vis challenges and emergent situations that oblige legitimated responses. Herein, the objective is to evaluate the connection between the conditions that confront immigrants individually and collectively and their responses that result in either *choice* or rejection of MLM work. Expectantly, the idea is that combining and integrating the diverse theories and allied theorists will facilitate deeper understandings of the subject matter and associated issues, as compared to the use of just one or two. The perceived complexity of the subject matter of the study somewhat necessitates this as good practice. For example, to Barth (1981), verbal and non-verbal cues in actions encourage and sustain transactions underpinned by ideas of reciprocity fuelled by assumptions dynamically

premised on past transactions and current interactions. With Boltanski and Thévenot (1999) however, the contextual nature of worth complicates actions because systems of worth that shape and influence action coexist and conflict. Hence, the types of justifications actors draw on to advance their interests and execute (or reject) actions while maintaining worth in situations of conflict shed light on compromises and constraints that advance or limit agency. A discussion of these ideas and issues follows beginning with Tocqueville.

2.2.2 Tocqueville: Setting the Stage with Equality, Liberty and Self-interest

Tocqueville's (1835/2004) concepts of equality and liberty provide the analytical entry point to highlight the base cultural setting for MLM activities on the one hand, and immigrants' lived experiences and responses on the other. Through Tocqueville's framework, it is possible to illuminate the ways in which the socio-cultural and political fields of action within which MLM operates are ordered through democratic merits of *equality* and *liberty*. Tocqueville noted that although these two principles have been adopted by most advanced economies, they are integrated into the culture and politics of American society at a more advanced level. Tocqueville's twin principles of equality and liberty, rooted in the core virtue (or vice as the case may be) of *self-interest,* will contribute to an explanation of the acceptance or rejection of MLM as a site of work for recent immigrants, as well as its role as a response to their marginalization in the Canadian labour force. Ideologically, the notions of liberty and equality provide fertile ground for the formation of *associations* (including MLM) that promote, overtly align with, and emphasize passions (ideals) of over-arching collective importance to members of the of the society and their respective associations. Thus, the field of action

in which immigrants operate as new members of Canadian society can be said to have been made fertile for the introduction and sustenance of MLM ideologies discussed in the next chapter.

In his epic book *Democracy in America* (1835/2004), Tocqueville declared that individuals in (what he refers to as) true democracies like America are preoccupied with material prosperity and love of comfort, which result in **restlessness** (p. 658) owing to anxiety over missing out on opportunities to accumulate or consolidate material resources that will guarantee their desired comfort (p. 614). This aptly describes MLM members' preoccupation premised on their declared reason for moving to Canada, which is to avail themselves of the opportunities for material prosperity they believe to be particularly abundant and more accessible in Canada than in their countries of origin. Individually and collectively, participants believe that, in Canada, they can attain the wealth that will guarantee them and their families/dependents lifelong material comfort, security, and wellbeing. Participants characterize this as "*making-it*". Continuing, Tocqueville noted that the high preoccupation with material prosperity and comfort is a consequence of **equality,** which he refers to as a *passion*. He saw this as a feature that was much more established in the American democratic system as compared to his home country France, where it was in its fledgling stage (p. 613). For Tocqueville, equality prevails in civil society and has to do with the principle of equivalence with respect to social conditions in the sense that none is obligated or beholden to the other. This concept is relevant to this dissertation, as study participants claimed to have not merely recognized and accepted this sentiment since moving to Canada, but it became a mantra that propelled them in their pursuit of material success.

For Tocqueville, equality is exercised essentially in terms of indulgence in the same pleasures and "living in the same manner and seeking wealth by the same means" (p. 614), which includes choice of profession and employment. The second of Tocqueville's passions is **liberty**, which has to do with freedom of association and participation in civil and political associations. Tocqueville noted that of the two passions, Americans value equality above liberty because benefits that accrue from the prevalence and exercise of equality tend to be more immediate (p. 613). He expressed concern, however, that the valuing of equality over liberty alongside excessive materialism has potentially detrimental consequences in the long-term for individuals and society (p. 662). He warned that, among other consequences, the stronger attachment to the passion of equality over liberty in any democratic system would result in subtle compromises to liberty even as principles and practices promoting equality over those of liberty are advanced. In other words, liberty will inadvertently and consistently be sacrificed on the altar of equality. Compromises may initially be subtle, but will increasingly be less so, resulting eventually in the abuse of democracy itself. For Tocqueville, both equality and liberty are interrelated and therefore, correspondingly relevant in any democracy. He reiterates that because the benefits accruing from equality are materially immediate, individuals have enthroned the love of it over and above that of liberty, blinding them to its eventual flipside in the long-term. Conversely, since the benefits accruing from the exercise of liberty are not immediately accruing, it is taken for granted and can be insidiously encroached upon and overlooked, while equality is jealously guarded against any hint of encroachment. Tocqueville cautioned

that overemphasizing equality gives rise to individualism and gross self-interest, which leads to isolation and self-centeredness at the expense of others and the larger society.

Tocqueville's centring of equality and liberty as admirable traits of true democracies, and his predictions about the outcome of disproportionate preference for equality, may be seen to have set the stage for the emergence and growth of MLM. Notwithstanding disproportionate economic outcomes identified by Bhattacharya and Mehta (2001), MLM's strategic alignment with the twin passions of equality (of opportunity) and liberty (of activity) for those who choose to join its workforce seems to attract the attention of those at the so-called margins (Vosko 2010; Galabuzi 2006). Thus, irrespective of actual outcome and practices, overtly aligning with, and promoting these passions establishes legitimacy for MLM and justifies its existence. Despite alternate discourses that question its viability and veracity, MLM is promoted by the fact that its field of play is embedded amidst examples of inequitable employment relations, as are found in precarious employment where immigrants' credentials are dismissed and there are no sufficiently effective policy solutions to right this long-standing issue (Desjardins and Cornelson. 2011). Accordingly, the ideology and practice of MLM appeal to new immigrants, who are disenfranchised by employment barriers. For that matter, it offers appeal to all workers in precarious employment, who are all potentially future recruits for MLM. New immigrants' desire to materially succeed vis-à-vis the marginalization that confronts them in the formal labour market makes MLM and its ideologies of advancing equality and liberty seem rational (Gabbay and Leenders 2003). Participants see MLM as an association wherein like-minded people with similar aims

access opportunities and support for material progress allied to the cherished principles of equality and liberty. MLM thus is herein a classic Tocquevillian site.

Tocqueville's principle of **self-interest**, which is related to individuals' commitments to themselves and their desire for material advancement, finds expression and support in MLM. As detailed by Cahn (2006), Pratt (2002) and others above, by skilful use of language and ideological posturing, activities that commodify relationships become normalized (Gabbay and Leenders 2003). Tocqueville's assertion that the isolation that arises from individualism and that produces the sense of vulnerability and powerlessness that draws individuals to associations to mitigate and improve their unsatisfying positions also finds expression in MLM. Specifically, the Canadian government's inability to protect immigrant professionals from employment discrimination (Desjardins and Cornelson 2011; Frenette and Morissette 2005) engenders the sense of powerlessness and vulnerability that creates the strong desire to search out opportunities to advance their circumstances (Salaff et al. 2007; Li 2003, 2001a). This desire is enhanced further by immigrants' goal of elevating the standard of living for themselves and their families/dependents, making them ideal candidates for what Tocqueville described as 'self-interest rightly understood'. This galvanizes individuals to seek associations with others to ameliorate any engendered or perceived isolation and vulnerability. As will be discussed in Chapter 4, data from interviews reveal that, at the basic level, immigrants' decision to relocate hinges on the shared belief that it is advantageous for them and their family members. Their shared preference for Canada, as opposed to parallel destination options, comes from their understanding that Canada will best serve their interests. Their choice of Canada therefore, cannot be

assumed to be hinged on any sense of pre-migratory love or patriotism for the country outside of their perception of the potential benefits from such a move, as compared to staying in their home countries. If this is so, an important question then is why new immigrants are committed to remaining in Canada despite not apprehending their dream of affluence and despite their unanticipated immersion in precarious employment arising from the non-recognition of the skills by which they were admitted to Canada. Similarly puzzling to some (see Bhattacharya and Mehta 2001) is why MLM workers continue to engage therein even when their dream of economic success does not materialize. These conundrums are the subject matters of subsequent chapters. Meanwhile, Barth's (1981) presentation of social exchange offers further insight into the complex rationalities and processes behind action and inaction.

2.2.3 Prestations, Reciprocity and Value in Social Exchange

> "In any social relationship, we are involved in a flow and counter flow of prestations, of appropriate and [of] valued goods and services. Our own and counterpart's ideas of appropriateness and value affect our relationships…" (Barth 1981:37).

The fundamental premise underlying the concept of social exchange is belief in the nature of the social actor as rational and primarily focused on obtaining the most beneficial outcome in any interaction. The view is that individuals are predisposed to always seek to maximize or enhance their personal advantage as they engage in everyday social relations – an assumption that echoes the Tocquevillian individual. Hence, at any point in time individuals' commitments and level of engagement in interactions will always be nurtured by self-interest based on perceptions and calculations of the possibility of accruing benefits. For Barth, who focuses on how interactions between individuals in society are advanced and constrained by prevailing

social structures, social actors maximize personal gains by always favouring (and repeating) actions most likely to yield optimum benefits premised on historical precedents and their perception of the situation at hand. Similarly, social actors decline, discontinue, or avoid transactions most likely to result in negative benefits. By design therefore, past satisfactory interactions will promote and facilitate present ones that point to present or future benefits.

Barth notes further that the observable patterns of social life in any society can be summed up at any point in time simply as the aggregate of people exercising choice while being influenced by certain constraints and incentives. For Barth, the notion of reciprocity, which assumes that parties in a transaction aim to be, and are (at least in the interim), "satisfied with their bargains" (p. 38), underlies all transactional relationships. He considers social interactions a game of strategy involving the maintenance of a mental 'ledger' of value gained or lost. Accordingly, the focus of individuals is, at best, to ensure that benefits outweigh losses or, at the very least, to maintain a balanced ledger. To maximize benefits, Barth asserts "many possible courses of action are quickly ruled out as clearly and inherently unprofitable and alternative actions are chosen instead" (p. 38), as actors adjust (and align) their actions to incentives and constraints prevailing in the transactional social field. The reciprocity in transactional relationships creates normalized patterns of behaviour and relationships that serve as feedback into future transactional processes. Eventually, these become part of a norm or culture. These normalized patterns are defined by Firth (Blau 2009), another social-transactionist, as 'social structures'. The constant process of responding to emergent situations by adopting the appropriate strategies is defined as 'social

organization'. Since any set of responses yields reciprocal actions, it is such sets that over the long term determine the structures and organizations that endure and become part of future transactions. Similarly, Peter Blau (Blau 2009), for his part, claimed that knowledge of social processes that govern associations between individuals and groups furthers an understanding of social structures and the emergent social forces that characterize their development. He argued that basic human desires such as love, power, professional recognition, social companionship, the comfort of family life, competitive sports and so on, have their roots in social life and generate reciprocal transactions. For Blau, even seemingly altruistic actions by spiritual or "selfless" people have some underlying rationality as motivation, in the sense that they deliver present or future tangible and intangible (emotional) benefits, which then make an action worth consummating and repeating. In all situations, therefore, social interaction is an ongoing unified process such that each actor's perception of gains determines subsequent negotiations and the specific negotiators who will be involved.

For Barth, the notion of 'value' makes transactional relationships possible: it determines whether a transaction is worth completing and influences the level and type of bargaining that brings it to fruition. Barth (p. 39) explains that value is established when something is considered respected and treasured. Something is valuable if "people in real life seek it, prefer it to something of less value", and make it an object of transaction among themselves. Barth noted that where systems of evaluation (values) are maintained, transactions will be the predominant form of interaction and these reveal the relative evaluations in a culture. As a basic social process, transactions can also help explain how a variety of social forms are generated from simpler sets and the

distribution of basic values. This, he noted, is because transactional relationships take place within the framework of a “set of values which serve as generalized incentives and constraints on choice” (p. 40).

Accordingly, reciprocity and value, which influence transactional behaviour, require the ongoing flow and counter-flow of information regarding appropriate value to anticipated gains from a potential transaction. These Barth refers to as ‘prestations’. Prestations are verbal and nonverbal cues in actions and statements of intent read and interpreted by transacting actors, which reassure them that the terms of the contract in process (as influenced by prevailing incentives and constraints) remain valid. Each actor’s ideas of value, appropriateness, and expectations affect the relationship and outcomes that will subsequently determine future relationships and outcomes. It is these, according to Barth, that form the observable patterns that researchers see and study in a society.

Barth illuminated these concepts in his observation and depiction of the Norwegian winter herring fishing expedition, which he observed as involving a complex array of interactions among the principal actors - the skipper, netboss, and fishermen. He demonstrated that future relations were determined by the effective and satisfactory consummation of the transactional relationships in the present. Accordingly, the skipper’s reputation and future ability to obtain a good crew for the next season varied with his past and present reputation, comportment, and success. Yet, the quality of the crew was an important input in determining present and future successes, which were measured by a good catch for all. As a result, the relationships of all the actors on the trawler seamlessly convert into transactional relations of continual bargaining, whereby

actors keenly observe and evaluate all actions for cues (prestations) that are again evaluated and used (as inputs) for subsequent reciprocal action. Barth demonstrated that the principle of prestations was in effect in the expectation of a good catch, which by words or actions demonstrated commitment to the values and terms of the transaction. Hence, all the actors were not mindlessly carrying out expected roles, but were constantly involved in a process of managing impressions in order to fully consummate the transaction to reap maximum gain. In turn, the feedback that resulted from the readings and evaluation of cues from co-transactors generated changes in values and statuses (assessments) as prerequisites to effective current and future transactional relationships. Hence, the skipper in Barth's herring expedition preferred to convert his 'role authority' over the fishermen to 'willing cooperation' from them to obtain their fullest commitment. The fishermen willingly submitted to the skipper's authority because of the expected outcome, which, according to their readings of the situation, was still on track. Also, while the netboss could be jocular and second-guess herring sightings with the fishermen without jeopardizing his authority or the entire project, the skipper could not afford to do so, but instead had to consistently present a façade of detachment and expertise (despite any inner concern or misgivings). Thus, the present and the past intertwine to influence the continuity and ultimate outcome of present associations and allied transactions. By extension, future transactions are constantly under negotiation in that present (or ongoing) transactions soon become part of the past and, therefore, reference points for future transactions and associations.

Together with Tocqueville, Barth supplements the political economy framework by showing how systems of norms and evaluations are dynamic inputs into social life

and ultimately shape the direction of society. Both provide a fuller account of norms, values, and social dynamics, which political economy often either does not fully account for, or may reduce to a function of material conditions. As such, their perspectives provide a needed complement to political economy for this study.

Like Tocqueville, Barth also highlights that self-interest and restlessness (fear of missing out) drive transactions. The resultant sense of powerlessness and isolation described by Tocqueville compels social actors to seek out (or form) associations to enhance their material advantages, manage constraints and exploit incentives in their systems of value. Hence, though the democratic notions of equality and liberty continue to shape individuals' actions (ostensibly on their own terms), the roles of prestations and reciprocity reveal the fragility of (seemingly certain) outcomes. For example, Barth's Skipper avoids truncating the expedition by maintaining a façade of confidence and knowledge while keeping any misgivings to himself. This compromises the "accuracy" of the information (prestations) used by the co-transactors (crewmembers) to make seemingly informed decisions to either stay or opt out, which inadvertently but strategically infringes on their (all-important) liberty. The fact is that even though crewmembers were poised and empowered by the system to terminate the relationship, they neither realized they were misreading the all-important prestations nor that they were being misled by the skilful art of impression management. This demonstrates that social interactions and actions are complex, potentially fragile, and dynamic. Similarly, MLM's proclaimed alignment with the system of evaluation (equality and liberty), and its prestations by which it manages relevant impressions, as shall be seen in Chapter Three, promotes the belief that aligning with MLM is exercising choice borne of liberty.

The issue, however, is whether liberty or choice is truly exercised when relevant information is withheld or misrepresented[31]. In addition, while Tocqueville's passions of equality and liberty seem to guarantee equality of conditions or opportunities, could new immigrants be said to have been afforded this on landing in Canada's democratic society? According to existing research literature, this is certainly not the case. Along with the political economy framework, Barth and Tocqueville's concepts will facilitate a deeper understanding of the intersection of immigrants' dilemmas and MLM's strategic rhetoric.

In general, Tocqueville and Barth point out the complexity of social interactions in which actions do not necessarily follow logical endpoints. For example, because projected outcomes are said to determine the directions (continuity or termination) of actions and associations, the expected progression is for attained desired outcomes to incentivize continuity and vice-versa. However, the query herein is whether social actors *always* terminate or avoid associations and transactions that are (potentially) unsatisfactory. What is the reach or limit of prestations that delay and misalign with expected outcomes? At what point is the decision to continue with or reject an association or transaction made, and how? Boltanski's collaborative works with Thévenot (1999) and Chiapello (2006) respectively, expand on this point. These contributions explain how individuals contextually navigate constraints and incentives imposed by the order of valuation to advance their interests. While Boltanski and Chiapello (2006) highlight the role of ideology in justifying actions to serve the self-interests of individuals, Boltanski's earlier collaboration with Thévenot (Boltanski and Thévenot 1999) established the foundation for it.

2.2.4 Negotiating Order in the Economies of Worth

For Tocqueville and Barth, while self-interest and desire to maximize advantage motivate actions, moderating principles of acceptable conduct prevail in each context as tacit ‘rules of engagement’ that constrain or incentivize. To accumulate benefits and maintain trust, individuals must ensure that their actions are perceived to be legitimate within the context of play. Referenced by Barth as reciprocity, this is developed further by Boltanski and Thévenot (1999) as “worth”, expressed as an individual’s need to constantly legitimize their actions within and across the respective action fields to maintain authenticity, which then secures and advances future interactions. Accordingly, Boltanski and Thévenot indicate that all actions contextually occur within respectively bounded and internalized frameworks of competing judgments that are based on commonly accepted standards of evaluation to determine alignment or otherwise. They state that to avoid disagreement and sanctions from compromised authenticity within the respective frameworks, individuals “appeal to a principle of coherence in their behaviour and in the arguments they use to justify that behaviour” (p. 79). As such, the construction of agreement necessitates the convergence of collective and individual interests to motivate and sustain the agreement. The standards of evaluation and the process of legitimation through tests is what the authors refer to as *economies of worth*. Boltanski and Thévenot argue that people always need to justify their actions, and to do so in such a way as to withstand evaluative tests of justification. They assert that far from being pawns to culture (or material conditions for that matter), human beings possess the cognitive ability to establish associations among things that count, and to reach agreement on forms of generality and things that interest them. They are therefore concerned with associations or interactions that are common, communicable

and can be supported through justification. Based on the assertion that social actions occur within complex systems of agreement and critique, Boltanski and Thévenot's objective is to show the "critical operations that people carry out when they want to show their disagreement or agreement, and the ways that people display and construct lasting agreements without resorting to violence" (p. 25). They do so by generating ideal types with distinct internal rationalities, which they call *polities* or *cities* or *worlds*. Polities[32] represent competing spheres of existence and worth with their respective logics of evaluation that attend peoples' simultaneous way of life and interactions in overlapping spheres of being, which they navigate by applying tests of coherence to maintain worth. Boltanski and Thévenot identified six spheres or rationalities of action, which they named: inspirational, domestic, fame, civic, market, and industrial polities. They maintain that each polity has its own specific grammar (language), coherence and principles of justification, all of which is grounded in the general principle of common good as the foundation for justification and for tests of worth. When confronted with a situation of conflict between two overlapping polities as often happens, transaction is affected and worth is maintained through (negotiated) compromises that seamlessly draw on internalized principles based on collective agreements (i.e. accepted norms) operating across the conflicting spheres of relationship. The eventual compromises will depend on the actors, contexts, and level of challenge or criticism that needs negotiation in order to advance actors' specific interests and to retain worth.

According to Boltanski and Thévenot, the *inspirational polity* is grounded on the notion of grace that lends itself to internal tests manifested as feelings and passions and experienced as excitement and fear. Here, worth cannot be controlled or measured, and

inspired persons even describe themselves in terms that would lead to their devaluation under other polities or logics. The worthiest persons may not be appreciated in other logics, but they have access to more ethereal things and knowledge concealed from others outside the polity. Access to worth calls for sacrificing forms of stabilization and the apparatuses that guarantee the identity of persons in other spheres. However, the inspired person asserts their own uniqueness. In this study for example, an important element in MLM discourses is the emphasis on its uniqueness in providing access to (liberating) knowledge concealed from those outside it. Persons who respond positively to the knowledge through engagement are unique, enlightened persons of worth tasked with the responsibility of enlightening others for their good. This is clearly demonstrated in the aforementioned excerpt from one of Cahn's (2006:129) many observations of Omnilife MLM meetings in Mexico.

Akin to Barth's skipper illustration, the *domestic polity* is characterized by ties of dependence among persons. Since worth depends on an actor's position in a hierarchy of dependences, encounters with others necessitate a constant evaluation of worth. In the absence of concrete information, observable inscriptions and signs such as titles and clothing, help determine worth with reference to tradition (continuity) and hierarchy (superiority). Beings in a state of worthiness achieve superiority. Virtues like duty, respect, honour, harmony, and respectability are values that enhance worth. Selfishness or displays of self-interest, on the other hand, will result in loss of worth. Issues of training, reproduction, and honour are also key operations based on worth in this sphere. As shall be seen in later chapters, the grammar of this polity is employed

through narratives and testimonials to confer worth on MLM as a tested, viable system on the one hand, and its operatives as superior to outsiders on the other.

The *fame polity* represents the sphere of worth measured by the opinion or esteem of others. Money and professions are important to the extent that they engender fame. Distinction is a determinant of worth here, so individuals strive for distinction and do not wait for it to be bestowed. Thus, because fame establishes worth, it stimulates a competition of all-against-all in the quest for distinction. Worthy beings distinguish themselves by being visible, famous, and recognized. As will be discussed in MLM, distinction (recognition, accolades) is a primary focus of operatives within MLM and the logic of this polity resonates with that desire as prestations or tests of commitment.

The *civic polity* is characterized by principles of equivalence and the elevation of the common will above private interests. The person of worth represents what is common to all and speaks to it. Rules are objective and detached from persons. The worthy persons are the masses and the collectives that assemble and organize them. Worth is through sacrifice, submission, and transcendence of self. The rationalities of this sphere are core to retention in MLM.

The notion of individualism is the character of the *market polity*. Actions are motivated by the desires and self-interests of individuals, which induce rivalry and the drive for acquisition. Worthy objects are saleable goods that have strong positions in the market and “worthy persons are rich, and they live the high life - their wealth allows them to own what others want” (p. 196). Hence, worth is enhanced through the possession of objects that are desired by others. The state of being unwanted is a state of unworthiness. In the market polity, worthy persons are detached from domestic

bonds and freely operate and engage in transactions. Rationalities of this sphere form the main pull into MLM.

In the *industrial polity*, technology, standardization, achievement, functionality, and scientific objects have their places and values as they contribute to increased efficiency and productivity (p. 203). The authors see “the ordering of the industrial world as based on the efficiency of beings, their performance, their productivity, and their capacity to ensure normal operations and respond usefully to needs” (p. 204). The worthy person is efficient, reliable, active, knowledgeable, and productive. Conversely, a person in a state of unworthiness produces nothing useful. As discussed below in chapter 4, rationalities here help in retention for MLM.

The continuing growth of MLM despite attendant controversies (Cahn 2008; Bone 2006; Gabbay and Leenders 2003; Koehn 2001) is attributable to its ability to straddle and maintain worth across overlapping spheres of operatives’ transactional relationships through strategic rhetorical devices. These provide (the sense of) coherence and pre-empt, moderate, and counter variances in outcomes and suppositions in its communications. Boltanski’s follow-up work with Chiapello is concerned with the development and internalizing of these moderating rationalities.

2.2.5 Ideology and the Crises of Legitimacy

Barth’s concepts of reciprocity and prestations, and Tocqueville’s concepts of twin passions, isolation and need for associations mediate actions as value systems that are contextual and internalized. Boltanski and Thévenot established that social actors carry out actions in multiplex fields with bounded orders (rationalities) based on discrete values and standard systems of behaviour that may conflict. In situations of conflicting

values, social actors manage their relationships and allied actions to avoid (or minimize) sanctions and maintain authenticity. For such actors, compromises between conflicting orders of worth are affected by testing their respective principles against the 'general principle of common good', which is collectively accepted as superior to individual value systems. Boltanski's work with Chiapello in *The New Spirit of Capitalism* (2006) focuses on the processes by which values as ideology (such as those that frame systems of worth) emerge, are adopted, and are internalized as justification for actions. They declared that the principles that allow individuals to participate in and commit to capitalist activities, referred to as the 'spirit of capitalism', extend beyond neoliberal ideology, which they consider to be a mere outworking of the subtle normative framework embedded in the capitalist system. They define the spirit of capitalism as comprising "the set of beliefs associated with the capitalist order (of which neoliberalism forms a part), which helps to justify this order and, by legitimizing them, to sustain the forms of action and predispositions compatible with it" (p.10). Accordingly, such justifications, expressed in terms of virtue and justice, must support the performance of unpleasant tasks and the adherence to lifestyles - one of which Harvey (2010) calls consumerism - conducive to the capitalist order.

Boltanski and Chiapello assert that, at any particular historical point, capitalism is driven by a set of dominant ideologies, which serve to legitimate the system in order to activate popular support until its inherent contradictions provoke challenges, resulting in crises. For the authors, *the spirit of capitalism* both enables and constrains the main capitalist endeavour - that is, the accumulation process. It enables accumulation through the provision of attractive life prospects and the guarantee of security, and by

constructing moral reason that supports active participation in capitalism's activities (Burawoy 1979). It is constrained because detractors of capitalism abound and therefore the spirit of capitalism must constantly meet the demand for self-justification to continue to silence and resist anti-capitalist critiques. The role of criticism, therefore, is to undermine capitalism by revealing features within it that infringe on justice and the moral order. Similarly, with respect to MLM, academic and non-academic writing and other communications detail criticisms against MLM that challenge its authenticity. MLM is, however, able to undermine these challenges and to maintain substantial authenticity through its strategies of justification (see Chapter 3).

Boltanski and Chiapello credit the steady growth and expansion of capitalism to its ability to reinvent and transform itself in response to the two main critiques against which its legitimacy is periodically evaluated and challenged. They term these the *artistic* and *social* critiques. The source of indignation of the artistic critique rests on the issue of inauthenticity based on the perception of capitalism as a source of oppression and disenfranchisement of the worker in relation to freedom, autonomy, and creativity. Under the social critique, capitalism becomes a source of poverty, egoism, opportunism, and inequality through its encouragement of private interests, destruction of social bonds and collective solidarity. Each of these critiques periodically becomes the dominant challenge to the capitalist system; yet efforts to silence a challenge and reassert legitimacy eventually result in the transformation of capitalism and the emergence of a new spirit of capitalism. According to Boltanski and Chiapello, this process has resulted in two earlier spirits of capitalism, the first emerging at the close of

the nineteenth century, and the second during the period of 1940 to 1970. The new spirit of capitalism is said to have just begun before the turn of the 21st century.

The MLM system continues to flourish seemingly impervious to numerous print and digital challenges. Like capitalism, MLM seems able to manage or absorb criticism and retain authenticity that encourages participation. Parallel to this is immigrant professionals' expectations that their foreign credentials will facilitate their integration into the formal labour market and launch them into prosperity. According to the academic literature discussed above, for decades this has not been the case, particularly for racialized and female immigrants. Yet these immigrant professionals continue to arrive in Canada, with their dreams of prosperity continuing to be unrealized. As their expectations remain unmet, the narrative of Canada as a capitalist system with unbounded opportunities is increasingly compromised. This could eventually undermine Canada's ability to attract an inflow of well-educated immigrants, a concern already raised by some. How immigrants cope with their unrealized aspirations, as well as their perceptions of, and responses to their dilemma is the focus of Chapter 4. Meanwhile, how social actors translate situations of multiplex and conflicting value systems to actions that advance their interests and shape the dynamics of their social contexts is a dilemma that Max Weber attends to in his book: *The Protestant Ethic and the Spirit of Capitalism* (1905/2001), which is discussed below.

2.2.6 Coherence in Contradictions

Weber's relevance to this study resides in his thesis that diametric values can successfully fuse to produce coherence detached from original value inputs in effect and process. According to him, modern capitalism is the product of the fusion of

dialectic systems - religion and economics. In *The Protestant Ethic and the Spirit of Capitalism,* Weber's (1905/2002) thesis is that the blending of opposing rationalities produced a dynamic system of evaluation and worth that changed both the nature of capitalism and, eventually, the direction of western society and the world. He established that *rationalized* economic activities that promote profit making (a preoccupation of Boltanski and Thèvenot's *market* and *industrial polities*) became a religious calling, whereby economic success through one's calling was considered confirmation of one's predestined heavenly ascendance in the afterlife (a preoccupation of the *inspirational polity*). This *spirit of capitalism* eventually lost its religious orientation, cementing economic rationality as a defining logic of modern capitalism. Thus, embracing the logics of equivalence within industrial-market polities in terms of accumulation of capital, Weber's Calvinists maintained their worth and linkages to the inspirational and domestic polities through their ascetic lifestyles and associations that encouraged hard work, eschewing indulgence, and reinvesting their profits. The resulting increase in their overall capital was taken as service (pleasing) to God. Over time, capitalism shed all links to ascetic Calvinism becoming merely the rational system of capital accumulation through hard work, investments, and reinvestments.

As indicated above by Cahn (2006), this fusion of the logic of religious fervour and economics has gained currency in MLM having been adopted by Omnilife, an MMO in Mexico, to manage the identities and commitments of its members. Among other things, it is important to identify how immigrants justify participation in MLM, or how MLM justifies its alignment with immigrants in the absence of wages that will help advance their desire to make-it in their adopted home.

Summary

Having reviewed the analytical framework and key concepts that will guide the analysis of this dissertation, it will perhaps serve some purpose to determine which one concept or theorist might be most helpful for explaining the phenomenon of immigrants and MLM. It is worth noting here that the key focus of this study is to understand the motivations for the choices immigrants make in relation to MLM work. Why do some choose MLM while others reject it? Why do some who accept MLM persist while others do not? In this regard, it is essential to consider the nature of MLM and the context of its operation, which also serve as the context of immigrants' material existence, shaping their actions and responses. Analytically, the political economy framework clearly outlines immigrants' disadvantaged material circumstances and their need for solutions to address the barriers they face. However, political economy does not totally explain social action, nor does it clarify MLM's operational appeal. Thus, within the analytical framework of political economy, the abovementioned theorists and their concepts combine to fill in the gaps. By this, the explanatory power and understanding of immigrants' actions and responses to MLM within the contexts of their individual and collective material realities is advanced.

For example, from Tocqueville's concepts of liberty, equality, and self-interests, one can understand the basic predispositions operant in Canadian society (internalized by its members - immigrants inclusive) that serve to regulate attitudes and allied actions. As discussed above, the expressions of these dispositions at any point in time by social actors is a function of their relations to the means of production moderated by the prevailing systems of valuation and ideological bents acting on each other. In

combination, these produce complex yet comprehendible influences on choices and actions. The complexity stems from the fact that the outcomes of tensions emanating from capitalist power relations within the context of democratic equality and liberty do not occur as Karl Marx predicted. Why is this so? Barth helps to shed light on this through his concepts of value, reciprocity and prestation, which are premised on the notion that people navigate interactions with others to advance their self-interests to enhance their own material well-being. Not only does the pursuit of self-interest thwart the ultimate prospects for socialist revolution that Marx anticipated, it also puts actors in the situation of seeming to reproduce the very situations they wish to change (Burawoy 1979). Extending Barth's concepts, Boltanski and his collaborative works with Thévenot and Chiapello make it clear that within the overarching predisposition to liberty and equality, Canadian society is organized around discrete systems of values and legitimation that contextually interact and collide to shape individual action at any point in time. Therefore, as much as individuals desire improvements in their material existence, they must reactively navigate the gauntlets of internalized contextual value systems in pursuit of their goals. As individuals act, react and are acted on by moderating systems of worth within the overarching context of their relations to the means of production, Weber reveals that evolutions in value systems occur that redefine acceptable conduct.

The answer to the potential question about which theorist(s) and concepts provide the most helpful explanation, therefore, is that in isolation no one theory or concept is sufficient. Combined, all that are discussed above work together to produce a more holistic understanding of MLM, immigrants' predicament, and their responses.

2.3 CONCEPTUAL DEFINITIONS

The final section of this chapter provides an explanation of the key concepts utilized in the analysis, and indicate how they relate to the data collected for the study. The main problematic rests on the idea of ineffective integration of new Canadian immigrants into the formal labour market. *Integration* here encompasses the extent to which immigrants are engaged in employment corresponding to their credentials, whereby integration essentially refers to an economic condition, though it does not preclude related norms and behaviours, as participants revealed (see Chapter 4). Indeed, the desire for economic integration encourages some form of social and cultural appropriation as the case may be. Hence, it could be seen as the entry point for other forms of normative conformity. Within the context of this study, economic integration does not include orthodox entrepreneurial undertakings that require significant capital investments and risks. Instead, it specifically references new immigrants' performances in the formal labour market in relation to their imported credentials. It represents the path by which new immigrants' economic performance in the formal labour market converge toward that of their native Canadian counterparts in relation to opportunities and remunerations vis-a-vis qualifications (Hum and Simpson 2004). It is noteworthy that scholarly literature and participants' own accounts of their labour market experiences establish that opportunities (and remuneration) have been unequal and lopsided against new immigrants' credentials, which results in their either accepting low-skilled, low-waged work in the formal labour market or opting for more precarious and less regulated forms of work in the informal sector. More concretely, convergence will focus on which labour sector immigrants fare better or worse in by comparing precarious employment in the formal sector vis-à-vis employment in MLM.

The *formal labour market/sector* refers to the regulated labour market in which remuneration in the form of wages is received in exchange for the provision of labour power for an established period (Kalleberg and Vallas 2018; Thomas 2009; High and Lewis 2007; Kalleberg 2000; Cowie 1999). This excludes work based solely on commission on output or input since such work may lack a guaranteed base income. Conversely, the *informal labour market* refers to work that either has limited regulatory oversight or is outside effective or strict monitoring. Examples include MLM and some employment in ethnic enclaves (Salaff et al. 2002). Typically, these operate within the periphery of labour standards regulations by which they evade regular oversight by regulatory bodies.

As indicated in Chapter 1, *immigrants* or *new immigrants* refer to first generation immigrants who moved to Canada through the government's point-system immigration policy, which, based on predetermined sets of criteria, scores and selects individuals based on perceived potential to contribute to the Canadian economy (Picot 2004). The term, as it is used here, includes skilled professionals who gained entry through the family reunification policy. Notably, refugees and temporary workers are not specifically addressed here because their trajectories are somewhat different and, perhaps, may be more complicated than those of regular (economic) immigrants whose migratory decisions, comparatively, could be seen as based on calculated choices. This is, however, not to say that refugees lack agency; rather, migratory circumstances usually compel refugee claimants to land in the most expedient host countries without necessary legal documentation. Subsequently, they usually must await documentation that will establish their settlement within the host country, which unlike in the case of

economic immigrants, may not even be their preferred choice. Even though they may have access to some economic and social assistance not available to economic immigrants, they may not be fully positioned, as per policy or administrative requirements, for immediate integration into the workforce. Regular economic immigrants, on the other hand, are potentially work-ready from their day of arrival (Owusu 2000; Wong 2000). However, once they are documented, the plight of refugees in the labour market aligns with those of their landed immigrant counterparts, as neither seems to fare better in the long run. Hence, focusing on economic immigrants for now does not detract from the ultimate plight of all documented immigrants. However, since (unintentionally) one of the study participants is a documented refugee[33], this study may be said to have limited insight into the labour market experiences of documented refugees as well.

Precarity, as used here, references the effects of precarious employment (discussed above) on the individual. It is the lived conditions of uncertainty and hazards to an individual's well-being owing to compromised capacity to sustain self and dependents (PEPSO 2015; Vosko 2010, 2006). Living in precarity is the result of economic (and social) insolvency that results from inability to participate fully in necessary and desired economic and social activities. It is the absence of economic and physical well-being, as well as emotional harmony that altogether compromise social cohesion (Standing 2008, 1999; Galabuzi 2006). Conditions of precarity come about through processes that facilitate the growth and power of capital, based on the continuous appropriation of the outputs of the primary producers. These processes establish capital through employment as a source of disciplinary power and control over

workers and accord its owners with significant influence over policy makers. Those fortunate to be employed willingly put up with adverse work relations, which potentially make them more vulnerable to deprivation, stress, harm, and isolation, as well as loss of power, agency, and political will (Harvey 2010; Ross 2008).

Referenced by some as “beds of a feather flock[ing] together”, the concept of *homophily* references the tendency of people to be drawn to similar and familiar others (McPherson, Smith-Lovin and Cook. 2001). One of the reasons identified as contributing to the settlement and integration challenges that immigrants face in Canada is said to be their high[34] tendency to land and settle in three principle Canadian cities referred to as MTV i.e. Montreal, Toronto, Vancouver (Lu and Hou 2019;Frenette 2018; Hou 2007). Other increasingly popular locations include Calgary in particular, Ottawa–Gatineau, Hamilton, Winnipeg, and Edmonton (Ibid). Notably, the GTA (a part of Toronto) is the main[35] fieldwork site for this study. The significance of this becomes patent in Frenette’s (2018:5) assertion that:

> The geographic location of economic immigrants does not change much. The initial location decision of EPAs [economic principal applicants] is “a very strong predictor of their location years later”. Indeed, only about 11% of EPAs have moved to or out of MTV by 10 years after landing. That being said, some important factors are associated with the onward migration that does take place. Key among these is country of birth, especially for EPAs who initially settled outside MTV. *The number of residents in the city of initial location who come from the same country* is *positively associated with remaining in MTV and negatively associated with moving to MTV for those residing elsewhere.* (italics added)

As shall be illustrated in Chapter Four, participants claimed that their networks of relations predominantly influenced their choice of landing and residential locations. Only one respondent claimed to have moved from their initial place of settlement, and they

did so well over a decade after arrival. Even then, the move was from an MTV location to another MTV location. The view is that the influx of newcomers to these areas limits their capacities to be absorbed into the desired urban labour market, which exacerbates immigrants' dilemma of ineffective integration (Lu and Hou 2019; Frenette 2018). As study participants also confirmed, the need to connect with, and be guided by that which is familiar to them continues to be the strong pull to settle in locations that provide homophily linkages. Once *settled* and in the absence of practical alternatives, the incentive for participants to move to another geographic location becomes non-existent or minimal at best. The concept of homophily and influence of networks immigrants form is the subject of Chapter Six.

Part of the appeal of MLM resides in the ease of entry by which it positions itself as the effective means of restoring dignity to individuals assailed by employment barriers, precarity and unmet aspirations. The issue, however, is whether this truly ameliorates immigrants' precarity and their integration dilemmas. This is the subject of the next chapter.

NOTES

[1]By which she meant that she changes her accent and expressions to fit in but not in conversations with someone with like identity.
[2] These are mostly web-based.
[3] https://news.gallup.com/opinion/gallup/275837/2020-vision-global-trends-watch.aspx https://news.gallup.com/poll/245255/750-million-worldwide-migrate.aspx
[4] For example, while the PNP has had some limited success in dispersing new immigrant arrivals evenly away from Toronto, Montreal and Vancouver, the underlying structural barriers against immigrant skills transcends provincial barriers (Lu and Hou 2019).
[5] ESDC 2016. Employment Equity Data Report. Cat. No.: LT-142-06-19E - https://www.canada.ca/en/employment-social-development/services/labour-standards/reports/employment-equity-data-report-2016.html
[6] RBC Economics 2019. Untapped Potential: Canada Needs to Close Its Immigrant Wage Gap. http://www.rbc.com/economics/economic-reports/pdf/other-reports/untapped-potential.pdf

[7] These include Hamilton in the west to Whitby in the east, and centered on the City of Toronto to include the regions of Durham, Halton, Peel, and York (PEPSO 2013:5)
[8] These are data from the 2014, 2015 and 2016 American Community Survey (ACS). This was used alongside 2016 Canadian census [Lu and Hou 2019:7].
[9] 38% of all immigrant women and 49.6% of recent immigrant women had Bachelors level education or higher in contrast to Canadian-born women [26.6%] within the same core 25-54 age group (Hudson 2015:21).
[10]Defined as "Canadian Citizens by birth or non-immigrants" (Hudson 2015:37)
[11]That is those landed below or up to 5 years (Hudson 2015:21).
[12] The observed over-representation of women in MLM meetings mentioned in Chapter 1 and further discussed in Chapter 4 seems to confirm this.
[13] Scassa, T. 1994. "Language Standards, Ethnicity and Discrimination," Canadian Ethnic Studies 26(3): 105-121
[14] https://www150.statcan.gc.ca/n1/daily-quotidien/171025/dq171025b-eng.htm Accessed March 2020
[15] This was prepared for the United Way of Peel region and funded by the Department of Canadian heritage – Multiculturalism Program. https://www.unitedwaygt.org/file/The-Black-community-in-Peel-Region-An-exploratory-s
[16] These are identified by their T1 individual tax return filings (Green et al. 2016).
[17] These are identified by their T2 corporate tax return filings. Additionally, Canadian citizens and permanent residents who are business owners also file a Schedule 50 by which the owner's immigration status is determined (Green et al. 2016).
[18] This is similar to Li's findings (2001a). Indeed, Green et al. (2016) consider their study to be a unique extension and upgrade of Li's. While Li based his study on the IMDB (Immigration Data Base) as did Green et al., the latter additionally used datasets such as the CEEDD (Canadian Employer-Employee Dynamics Database) which is a set of large administrative files that can be linked based on some unique identifier – see Appendix A in Green et al. (2016) for further detail. These provided rich and unique database on immigrant-owned businesses vis-à-vis Canadian-born owned businesses.
[19] Writing about the same time as Li (2001ab), and using Surveys of Consumer Finances between 1982-1998, Kuhn and Schuetze (2001:780) noted that Canadian men between the ages of 25 and 54 years are "pushed into paid employment in the 1990s by a secular decline in paid-employment opportunities". Since immigrants are harder hit by unemployment, it follows that as Li indicated, immigrants who face inequitable employment will explore self-employment.
[20] It is worth pointing out that there have been extensive policy efforts in this area – although it can also be noted that they have not been fully successful in addressing the problem. Some of these include efforts centered on Immigration, Refugees and Citizenship Canada (IRCC) funded language training and employment-related services across Canada and provincial-specific immigrant support and retention programs and strategies aligned to the uniqueness of each province: examples are Alberta's microloans to immigrants to help them acquire Canadian accreditation; various fairness commissions to enhance recognition of foreign qualifications pre- and post- arrival; establishing occupation specific "bridge-to-work and mentorship programs and trainings etcetera (Emery and Ferrer 2015; http://www.flmm-fmmt.ca/wp-content/uploads/2017/01/An-Action-Plan-for-Better-Foreign-Qualifications-Recognition.pdf; https://www.canada.ca/en/immigration-refugees-citizenship/corporate/publications-manuals/annual-report-parliament-immigration-2019.html)..
[21] (a) https://quackwatch.org/mlm/general/mlmstart/; (b) https://network-experience.com/en/multi-level-marketing/mlm-history.php; (c) https://www.betterhealthworx.com/network-marketing-history.html
[22] Their domestic capabilities as organizers among other things popularized the party plan that is still used by all MMOs in which friends and neighbours get invited to a cozy home setting for the ultimate purpose of product sales and recruitment.
[23] https://www.tupperware.ca/about-us/
[24] These websites also serve recruiting purposes.
[25] These are accessible for monthly or annual fees. And have been available pre-covid pandemic.
[26] Even though PEPSO (2013:17) claimed that "there is yet no common definition of precarious employment", there is consensus among scholars that it encompasses jobs outside the SER. The differences are in the specifics of types of work that are included or excluded in measurement of the phenomenon. For example, in their study, the PEPSO scholars developed what they called *The Employment Precarity index* using ten questions that encompass much of the definitions by other

scholars such as Frenette (2018), Pupo et al. (2010) and Vosko (2006). They however included a category they refer to as “self-employed without employees”. MLM workers may be said to fall loosely within this category as they claimed to be self employed but have no employees. Yet, they are also quasi-employees of their uplines and allied MMOs who determine their remunerations.

[27] Notably, precarious work is not synonymous with nonstandard work. For example, some full-time jobs can still be precarious (if they are low-wage, non-unionized, etc.). Non-standard work is usually defined as work that does not match the post-World War two (WW2) norm of a 40 hour per week full-time, full-year job (Pupo et al. 2010). While retaining the core features of Post WW2 era, the operational definition of the SER in the second decade of the new millennium is somewhat modified. The 2013 PEPSO study defined SER jobs as one with at least 30 hours per week, single employer who pays benefits and with whom they expect to be working for the next one year. This perhaps reflects the gulf between the post WW2 era and the normalizing of precarity in the second decade of the millennium.

[28] Referred to by scholars as labour segmentation, systemic inequity in the quality of jobs available to workers of different genders, racialized identity and ethnic background is said to have consigned women and people of colour in particular to precarious work (Frenette 2018; PEPSO 2013; Pupo et al. 2010); Sharma 2006; Vosko 2006/2010). Equity for women is said to have been relegated by unions and employers and hence, they are over-represented in low-wage, non-standard work because they are more docile (Harvey 2010; Vosko 2010; Galabuzi 2006; Cowie 1999). Their reproductive, care-giving functions are either unacknowledged or poorly remunerated and until in contemporary times, excluded from some social and economic benefits (Harvey 2010; Pupo et al. 2010; Vosko 2010).

[29] See for example: United Way 2019, 2015 and PEPSO 2018, 2015 and 2013 series of studies.

[30] As shall be seen in Chapter Three, though analogous to the gig or platform economy, MLM is uniquely different among others, on issues of renumeration, relationship and actors’ use of their agency.

[31] The manipulation and filtering of relevant information advantages senior uplines and mentors and compromise the equality claim of the MLM system.

[32] “Polities” as opposed to “cities” or “world” sounds neutral and is therefore a preferred term here. It is used interchangeably with “spheres” and in some contexts, “rationalities” which, defines the characteristics (logics) of the polities.

[33] This became known during the interview. The individual has postgraduate degree not equitably rewarded.

[34] Though still disproportionately high, it is noteworthy that the influx of new immigrants to MTV cities is said to be declining. This is attributed to the Provincial Nominee Program (PNP) designed to evenly disperse economic immigrants across Canadian provinces and cities (Bonikowska, Hou and Picot 2015; Pandey and Townsend 2011).

[35] While all the participant observation occasions were in the GTA, nine of the in-depth interviews were outside the GTA.

CHAPTER 3

MULTI-LEVEL MARKETING: PRINCIPLES, PROMISES, AND PITFALLS

Network marketing is something you should try before you say it doesn't work.
(Presenter: 2017 MLM Event)

The following account of a conference organized by an MLM group serves as a point of reference for this chapter, and for the chapters that follow. It is typical in general form of MLM events, which could vary in emphasis to focus on recruiting, marketing, awards, or training. The emphasis of an event determines allied protocols such as admission, duration, vendor inputs and dress codes. Conferences tend to be big regional, national, or international events. While conferences often incorporate multiple events, they usually have an overriding focus under which all other activities are aligned. The conference described below is a regional conference that unusually mimicked a national conference in size, pageantry, attendance, and security protocols because of the guest of honour.

I attended the conference at the invitation of an informant who felt that the experience would increase my understanding of MLM and reflect positively on MLM and this informant's specific organization. Having been forewarned that securing a parking spot and a good seat might be challenging, I arrived 90 minutes before the scheduled start time. As predicted, parking was challenging, as the event was truly well attended.

My host had indicated that because it was specially organized to coincide with the national leader's rare stopover in that region, attendance was likely to be remarkably high. Indeed, I counted six coach-buses said to have brought in attendees. Fortunately, I got one of the few parking spots left[1] and followed the steady trail of enthusiastic attendees streaming into the venue in active defiance of the inclement weather. Approximately 10 personnel were directing the stream of attendees away from an entrance reserved for the national leader. Four SUVs with darkened windows were parked in that area (seemingly) guarded by security-like personnel standing with their legs-apart and hands behind their backs.[2] They permitted no lingering. Nevertheless, eager to get into the hall, the stream continued into the foyer, which was also teeming with attendees, MMO representatives, and vendors linked to the event. Access into the actual conference hall required presenting our (pre-purchased) tickets and having our hands temporary tattooed. I wondered if this (tattoo) was for pecuniary or security reasons. My informant later declared it was for both.

This event, a conference organized to receive the national leader of that MLM group was on a bitterly cold winter day[3]. Loud upbeat music welcomed new arrivals to the large hall, which was teeming with attendees in business attire. Attendees were mostly seated, facing a platform that was covered with lights and decorations, which somewhat had an air of mystery and transcendence. Seated close to the back of the hall, I was surprised at the high turnout, especially as the scheduled start-time was still over an hour away and I wondered how the continuing stream of arrivals would be accommodated in the already packed hall. Around me were individuals with folders and handheld devices awaiting the start of the conference, with its anticipated highpoint

being the address by the national leader. While some quietly conversed with those around them, most inquisitively looked around or focused on their devices. Nearby, some individuals discussed the fortuitousness of the location being sufficiently close to permit their attendance, as they had carpooled[4] from a city less than four hours from the venue. I listened in. For them, the long drive was a small price to pay to hear and possibly interact with the leader, who was the most successful person[5] in that MLM brand. According to these attendees, he started the group, which (allegedly) "now boasts of millions[6] of business owners across Canada". Unselfishly, he had "helped many, many people become six-figure-income" earners – that is to say, millionaires, the benchmark of success in MLM. In him resides the how-to knowledge and wisdom of becoming a "millionaire". They also[7] discussed how personable, successful, and iconic he is, commending his humility in speech and in personal interactions, which they say belie his immense (MLM acquired) wealth and success. One proudly claimed to have not only met and spoken to him some years earlier at another conference but had been honoured with a handshake too. Hence, attending the conference to hear him speak and possibly meet him afterwards was a not-to-be-missed event. Indeed, as shall be discussed below, conferences are always not-to-be-missed events. I leaned into the conversation and inquired further about the leader, their expectations from the conference, and the possibility of me having personal contact with him. Helpfully, they assured me that I will get to understand and "feel the same way" when I listen to him. They assured me that his wealth of experience and insights were sure to help me become more motivated and successful. Turning the spotlight on me, they inquired about my status and obvious ignorance about the iconic leader. I mentioned that I was

invited by someone (who had not yet arrived) and was seeking to learn and understand the business[8].

I asked the person who claimed to have met the leader about that interaction and the outcome. The response was generic – no specifics. The individual claimed it motivated and inspired her/him to pursue his/her goal and be a better person. S/he has been with MLM part-time for seven years and was building the business gradually to the point where it was about to truly "take-off". S/he was now ready to launch out to "another level" after this conference. It was "about time too" s/he joked. We all laughed. S/he was certain s/he was on track to amassing her/his own six-figure income. In response to my not-yet-registered status, they advised me to register without delay and that I would find it "the best thing*"* I do. Obligingly, they also warned that I have to carefully screen those I try to *help* (i.e. recruit) into 'my business' because "some people are not serious" and will simply "waste your time". Nodding in agreement, they all acknowledged similar experience.[9] It was a very pleasant and camaraderie-like interaction. I was especially impressed by their openness, warmth, and friendship considering they had never met me and might not again,[10] as they neither asked my name nor for my contact information. To me, this was just another first-hand experience of the warmth and camaraderie with which operatives treat each other in their groups[11]. What was different and impressive here is that I was neither in their group, nor was I introduced by anyone there; just being there made me one of them. The conference officially started not too long after.

After about two hours of routine[12] conference fare comprised of performative and inspiring rituals of cheers, role-plays, testimonials, teachings, and presentations focused

on how-to set and pursue financial goals and “help people”, the long wait for the leader finally ended. During the wait, the masters of ceremony twice led[13] the audience in heart-warming performative cheer rituals that portrayed their commitments to the MLM system, the team of operatives as a family, and the pursuit of economic enrichment, which was called the ‘fight’. It was invigorating. As the iconic leader was deferentially introduced and welcomed on stage with impressive flourish and music, the audience stood and burst into frenetic cheering, clapping rhythmically along with the welcoming music. Motioning the audience to sit, the leader began to speak very quietly. Instantly, there was a flurry of activity as people began recording with their devices or feverishly taking notes. His address centred on commitment, discipline and the characteristic fare of motivational testimonials and anecdotes, which included the story of how he became aware of and committed unequivocally to the MLM system. Ignoring the negativity of naysayers he dubbed as “ignorant”, he built his MLM business from nothing (i.e. with no traditional investment capital) but grit, persistence, and hard work. He, however, added two new[14] interesting dimensions on how MLM operatives could grow their businesses. First, he advised operatives to resist and desist (from excessively) showing off their success with flamboyant lifestyles, and instead encouraged operatives to be more focused on *helping people* rather than on the financial rewards[15] that accrue from their success. Second, he challenged operatives to be intentional in recruitments by befriending[16], getting to know, and educating[17] targeted quarries. Friendship, he said, will generate curiosity in their MLM businesses, which will then give them the opening to educate and entice potential participants. He concluded that partnerships in business borne out of genuine interest in people and friendship are lasting and are better oriented

for growth. He assured them that if they follow this guidance, they will experience growth in their businesses and income. Continuing, he said his participation in MLM conferences and related events was not so much about money as in the pleasure he derives from helping others succeed. He claimed that his wealth was such that he could afford to never work again, and this would not negatively impact his income[18]. As his speech concluded, attendees leapt to their feet enthusiastically reciting the communal cheer affirming their commitments to the system, family, and dream. Fascinated, I mimicked as closely as I could. All through his speech, attendees had listened attentively in pin-drop silence and given a thunderous applause at its conclusion, continuing as he left the platform to the sound of music. The excitement was infectious.

The fervour at this particular event was palpable in all MLM events I attended. It was also exemplified by the operatives interviewed for this study. What inspires and nurtures this fervour and dedication continues to puzzle critics and scholars alike. While advocates attribute the enthusiasm of MLM operatives to the comparative superiority of the MLM enterprise over formal sector employment, outsiders see it as demonstrating a 'cult-like' mentality that members develop (Bone 2006; Bhattacharya and Mehta 2001). A closer examination will offer insight. Accordingly, this chapter examines the principles, practices, and structure of the MLM system as represented by insiders and outsiders. The organization of the discussion mimics advocates' rhetorical strategy of juxtaposing MLM work against formal sector work, whereby MLM becomes the superior option. In addition, descriptive phrases and words employed by insiders to portray MLM and its features are employed as relevant. The first section of the chapter outlines the appeal of MLM based on its principles. Section 2 focuses on its structure, operations, impacts,

and implications for operatives. Section 3 identifies and evaluates precariousness in MLM work as compared to formal sector work. The chapter concludes with a summary discussion of the key issues presented in the chapter. Throughout the chapter, examples of observed MLM events and activities are used where needed. The chapter also draws upon interviews, secondary literature, and industry research.

3.1 THE APPEAL: MLM PRINCIPLES AND PROMISES

Euphorically referred to as “the opportunity” (discussed below), the articulation of MLM work comes wrapped in the democratic principles of equality and liberty identified by Tocqueville (1835/2004) as the twofold consuming passions of members of advanced democracies. As the base driver, equality underlies and connects all other MLM processes, principles, and promises. The thrust of equality here is that MLM eschews discrimination that subjectively and negatively regulates peoples’ progress and prosperity. In contrast to the formal labour market, wherein hierarchy and inequality are said to prevail, MLM is presented as advancing “equal opportunity” by removing constrains that enrich some at the expense of others. The key idea is that MLM levels the field of play for capital accumulation and provides wholesale “opportunity for anyone” who truly wishes to prosper. This wish is achievable by registering as an MLM worker to access the tools and support system.

According to advocates at events and study participants, unlike the formal labour market, equality is manifest in MLM’s embrace of diversity and rejection of all forms of discrimination premised on personal traits, limitations, or circumstances, such as race, gender, ability, age, education, or citizenship status. Both advocates and study participants hold interactions to be voluntary and centred on the principles of equality,

which is evident in the fact that, unlike in the formal sector, hierarchical relationships where manipulative bosses (manager or supervisor) oversee subordinates (worker or employee) are non-existent. Acquisition of wealth is achieved simply by commitment to the MLM system and ascendance of the MLM hierarchy by means of increased productivity. This is profoundly appealing and the reason for celebrations, such as that described above.

MLM's stance on equality gains credence from the fact that the founders of four of the five[19] MLM groups visited for this research have no college certificates or degree. Moreover, two are from visible minority groups and one is female. My expressed disbelief at a participant's claim to know of a "20-year-old making it to regional manager in a short time" and being awarded "the Benz" got me an invite to an elaborate award ceremony. There, I witnessed a daughter being feted with the gift of a Mercedes Benz for advancing up the hierarchy while her parents, lower in the hierarchy, looked on. The fact that her parents joined to "support" her as members of the team of downlines that help hoist her up the hierarchy seemed irrelevant to my helpful participant[20] and attendees of the ceremony. To them, her success was a validation of the equality of opportunity in MLM. What was manifest and therefore important was that she had surpassed her parents in the hierarchy, though they had started at the same level from which she did five years earlier. Indeed, in their joint speech, her parents claimed that they chose to join her business when they saw her progress and benefits. Nevertheless, it thus seems that the Tocqueville-like sentiment of equality, which recognizes nobody as superior, acquires some expression in MLM.

For operatives (which include participants and MLM leaders at events), MLM's commitment to levelling the playing field is confirmed by the fact that becoming part of its entrepreneurial workforce does not involve a huge capital outlay, but rather an "affordable" one-time administrative fee[21], which is often described as an "investment" or start-up-kit purchase. The low cost of entry is promoted as an opportunity to become an entrepreneur without the customary huge capital outlay required in most instances of business ownership. Presented as a highly subsidized token fee for administrative purposes, event presenters opined that the low registration fee precludes possible excuses for not accessing the proffered opportunity to become an entrepreneur and change one's life trajectory. Indeed, the value of the products and services received on registration is said to significantly outweigh the fee. Furthermore, what the opportunity portends for those who register, and for their families, is said to be incalculable. One presenter advised those who are presently too cash-strapped (which s/he reiterated as highly unlikely) to borrow funds and register because the future well-being of prospects and their families depend on it. As observed, the respective values of the introductory products in the start-up kits or training materials and courses do indeed outweigh the fees[22]. Hence, the low cost of entry is promoted as indicative of MLM's commitment to helping individuals prosper, unlike what transpires in the formal sector where employers display no such commitment. Advocates, including participants, however, reiterate that notwithstanding the ease of access, the opportunity is not for *lazy*, *undisciplined*, *ignorant*, *fearful,* and *unambitious* persons who have a "negative mindset". Having a negative mindset is considered toxic to success. Hence, those who wish to prosper are advised to avoid such people because they ignorantly fault the business system,

mislead others, and withhold operatives from prosperity because they are indolent and too undisciplined to follow the system themselves. The assertion is that the business is for “those who are serious about their lives and want to change how they live”[23]. Thus, while MLM’s empowerment through education and team support at the regular[24] meetings, conferences and mentoring sessions may equip and empower individuals, the ultimate outcome is determined by personal willingness to eschew indiscipline and habits that hinder commitment to “follow[ing] the system”. Individuals who remain committed are empowered and enabled to thrive in the supportive environment, devoid of destructive negative competition and repressive abuse considered to be the norm in the formal labour market. In MLM, individuals’ successes are encouraged and shared by supportive “team” members who celebrate each other’s accomplishments without the animus, ill-will, or ire held as operant among formal sector workers. Having experienced marginalization and being maligned for not having Canadian experience, immigrant operatives find this acceptance appealing.

Liberty, the twin passion of equality, is also a core principle and promise of MLM. It represents autonomy. Within the MLM system, both passions circularly affirm each other. Often described and presented simply as ‘freedom’, liberty to operatives is release from the repressive constraints and abuse of regular employment. It embodies overall self-determination and empowerment to thrive through unconstrained exercise of agency involving association, management of time, scale or volume of work, and work schedule.[25] By combining both passions, the idea is that individuals can “rise to [their] full potential”. Unconstrained, operatives feel they could rise to desired level of prosperity within their chosen timeframes. Liberty buzzwords and phrases such as

“freedom”, “independent”, “entrepreneur” “no boss”, “be your (my) own boss”, “in business for yourself (myself)”, “have more free time” or “more time for myself (yourself or family)”, “fire your (my) boss” were used by presenters at MLM events and variously echoed also, by participants.

Stemming from liberty, MLM work is intensely promoted as flexible: that is, it offers convenience related to time and space. To operatives, flexibility in the formal sector represents unemployment, uncertainty, marginality, and low remuneration (Standing 2016, 1999; Pupo et al. 2010; Pupo and Thomas 2010; Vosko 2010, 2006; Ross 2008; Munger 2001; Peck and Theodore 1998; Peck 1998). Associated with liberty as choice and autonomy, flexibility in MLM represents restored agency in terms of overall self-determination detailed as:

- Time management (i.e. when to work)
- Workload (i.e. how much work)
- Work environment (i.e. where to work)
- Work security (i.e. freedom from the fear of losing hours, status, benefits, and income due to underemployment or unemployed through firing or disciplinary action)
- Equitable compensation: earnings believed to equitably represent work done, which in turn is at the autonomous behest of operatives.

MLM is presented as particularly convenient for women with young children as it enables them to earn income and develop their businesses at their own pace without compromising their care-giving responsibilities. Similarly, those already working in the formal sector also have the flexibility to simultaneously build their MLM businesses part-time and retain their formal sector employment until they are ready to pursue their MLM business on a full-time basis. This typically occurs when their MLM businesses have sufficiently developed to be self-sustaining. A Canadian-born participant with a graduate degree in her late 30s who became interested in MLM during her maternity leave

decided to test this out. She dedicated every minute she could spare to building her MLM business so she could gradually reduce her participation in the formal sector from five days to four, and then three, and so on to the extent that her MLM income was able to replace her lost wages. At the time of interview, she had reduced her participation to four days[26] in her formal sector employment and was looking forward to making it three days. Flexibility is thus the most expressed reason for becoming an operative. While not necessarily the main reason for joining, along with equality, flexibility, and as one interviewee said, "the dream of getting rich" is a strong catalyst that seems to reduce the risk of joining MLM and makes the promise of prosperity credible, As Joyce, an ex-practitioner explains:

> It is a business with the opportunity to be your own boss … the start-off is low. Friends in my community introduced me. They said it was a good business and I can be independent and work in my own time. Because they see that I am a stay-at-home mom… They said: 'You can't do a 9-5 job with the children. You can build your business gradually. …You just have to work hard at first to build your business and you can relax later when you have enough people, when your business is booming…' I liked that the money to join was little but I had to work hard to recruit and sell. I am very organized …I printed cards and, I will go out every day between 11 and 1 when the children are in school. I go to shopping malls, stores and food courts to market and try to recruit .

As we will discuss below, flexibility is also the reason provided for poor performance. Empathetically, presenters claimed that like the audience, before MLM they too were stuck in "9-5 job[s] and living pay-cheque to pay-cheque"[27] in endless cycles of deprivation, feeling repressed by their formal sector bosses. The idea of hopelessness and being "in a rut"[28]" is the often-used angle that denigrates formal sector jobs and presents MLM as the ultimate liberator of the precarious and/or exploited worker. The idea is that workers liberated by MLM can attain desired income targets, with the support of team members and under the guidance of mentors. Their

focus must, however, be placed on the ultimate objective of attaining the “financial freedom” that will support their dreams of travel and fun, “early retirement” (i.e. from the need to work), and that will enable them to “give back to society (community)” through philanthropy[29].

Again, based on the belief that individual capital accumulation in MLM highlights their liberation from the repression of formal sector work, the idea is that successful operatives are entitled to display and revel in the material comforts they have been enabled to acquire. The strength of this belief is evident in meetings when operatives passionately talk about their “dreams” or “5-year plan”, driving expensive cars such as a Lamborghini or Ferrari, and travelling to exotic places. The cheers[30] mentioned above also celebrate their MLM-inspired liberation from the tyranny of formal sector employers. In general, MLM work is positioned as the enviable alternative to all former sector employment, including the erstwhile sought-after good jobs. Yet, the reality for some participants is that operatives struggle with work-related stress, work-life balance issues, and financial instability (Cahn, 2008, 2006; Pratt and Rosa 2003; Kong 2002; Pratt 2000ab).

However, while the challenges and stark reality of unrealized dreams eventually lead some to quit MLM, many others continue holding on tenaciously to the belief that working for themselves will lead to their dream of economic freedom. They continue in MLM just as the gambler who, despite being down on their own luck, continues to believe that the desired jackpot is just another stake away, losses notwithstanding. To operatives, and as stressed at events, present struggles are necessary but temporary and remain the ultimate gateway to their desired success. This belief makes it all

worthwhile to remain in MLM, as exemplified in the following quote by Drake, an operative in his 20s who has been in MLM for four years:

> First year, I built a team of 10 people and they collapsed on me. I don't know why but I didn't quit because I know it works. I saw that my mentors are successful.

The components of liberty in MLM include the perception[31] of empowerment and choice to reject formal sector employment because of its perceived constraints on agency, which to them, impedes prosperity. Comparatively, MLM work facilitates the acquisition of wealth, self-determination, and self-management, which enhances the general welfare of the individual. In contrast, MLM supporters construct formal sector employment as entrapping people in so-called "dead-end" jobs that leave them poor both financially and timewise, as well as bereft of true happiness. In testimonials, those in "good jobs" complain that their work schedules and intensity rob(bed) them of leisure time to enjoy their economic successes and quality time with their loved ones. Hence, the choice of MLM work over any formal sector position is represented as reasonable. Some in well-paid formal sector work declared this as their key motivation for opting for MLM, as illustrated by the following excerpt from Veronica, a seemingly established[32] immigrant in her 40s who had been "lucky" enough to get a good-job:

> I was 19 years in – [the job] and at a point, never want to be there. To me, it was a job, a means to an end. The pay was very good and I had the lifestyle that many in my community did not have … but I couldn't enjoy it…. I didn't like it because all that matters are the numbers. There is no humanity, it's all material profit. They laid people off and did not replace them … The job was very high stress. I was supposed to work $7^1/_2$ hours but I work 12 hours. I was doing work of 2-3 people. Every minute I am working, at weekends, I am working … I work late and get home at 7pm, I have dinner and then I just take my laptop and I continue to work till 11, sometimes 12. My husband was telling me to resign before the stress kills me. The pay was good but the job was stressful. …. I like … [i.e. the affiliate MMO]. It is a viable business, people succeed. You work at your pace - I can do it anywhere and anytime.

Also, unlike the formal sector, where employment often involves lengthy and opaque hiring processes, joining MLM is relatively easier, which makes it particularly appealing to those already soured by successive unproductive and challenging hiring experiences in the formal sector. For the barrier-beleaguered immigrants, this, and the fact that they have a choice about whether to join or not is empowering in contrast with the fact that some are yet to even receive employment offers reflective of their qualifications, despite efforts devoted to job searches. When asked if they would have accepted job offers from the formal sector, the response was always in the affirmative. Indeed, most admitted that they would still accept job offers commensurate with their qualifications and skills despite present commitments to MLM. According to these respondents, the flexibility of MLM makes it possible to do both. While their standard justification is the need to subsist by formal sector employment as they grow their businesses towards future financial independence, MLM is an accessible alternative from the disappointments of the formal sector, which they seemed to have abandoned. To phase out formal sector employment from their lives, the practice is to combine it with part-time[33] engagement in MLM. Given that commitment to MLM is unencumbered by the fear of punishment, harassment, or loss of employment, it gives “peace-of-mind”, which promotes the true exercise of agency and self-management. To this end, representations that operatives are “independent entrepreneurs” and “in business for yourself” engenders the “fire your boss” future hope in those still employed in the formal sector. Again, this will materialize when their MLM businesses have grown sufficiently to make earnings from their formal sector jobs non-critical.

The importance of the perception of liberty and all that it represents is attested to by the fact that, depending on the MLM group, liberty is celebrated and dramatized at events with cheers (phrases), dance-moves, gestures or a combination of all, as described above. At one event, the intricate legwork and moves involved in their brief celebratory dance of camaraderie were elegant and not easily mimicked by the self-conscious outsider. These exhibitions display joy and induce inspirational feelings that (re)affirm MLM as the path to prosperity and reinforce the decision to join (Cahn 2008, 2006; Boltanski and Chiapello 2006; Bhattacharya and Mehta 2001).

3.1.1 Assessing MLM's Principles and Promises

MLM's appeal resides in the perception that it: (1) enables individuals to become entrepreneurs and seemingly treats them as such; (2) delivers equitable remuneration; (3) provides space for individuals to ultimately achieve autonomous subsistence by prescribed processes; (4) eschews the mistreatment that is considered to be standard fare in formal sector employment; and (5) allows individuals self-management over their abilities, time and work processes.

MLM's principle of equality is a strong pull for barrier-weary immigrants who simply seek to subsist and thrive through equitable remunerations for their credentials. In MLM, their foreign accents, lack of Canadian experience, non-Canadian origin and newness to Canada were irrelevant. They found acceptance and, at least in principle, access to the same opportunity as established immigrants and native Canadians. Unlike their experiences in the formal sector, MLM participants claim to have a say in the use of their time and skills to influence their earnings. Most importantly, MLM seems to make the economic advancement they crave (see Chapter 4) attainable by the diligence

that remains unrewarded in the formal sector. Nevertheless, the seeming guarantee of prosperity that is facilitated by MLM principles of equivalence and liberty, as well as the presumed empowerment it offers, requires scrutiny.

The MLM system, which comprises a networked hierarchical reward arrangement and set rules of engagement, is trusted to deliver the declared and hope-for prosperity. At MLM events, especially those geared toward promoting and recruiting new intakes, promoters stimulate interests and promote buy-in through copious impression management strategies (Barth 1981). For example, attendees are asked: "What would you do with an extra … ($10,000, $5,000, $1,000) per month?"; "Who could do with more money (or time)?"; "Who wants to travel more?"; "What would you do if money and time are no problem?" Or the variation: "What would you do if you had money and time to do it?" Also, "Who is tired of making excuses to Junior why he cannot go to Disneyland" or, "why you cannot take him to Disneyland"? Presenters request answers to the questions by a show of hands. The questions, and their rather obvious responses, become the launch pad for the "opportunity of a lifetime" pitch. The pitch holds that the realistic way out of penury and mediocrity is acquiring wealth through MLM.

While Tocqueville cautions against excessive materialism, MLM encourages it. Operatives are to set significant income targets and then decide[34] on their desired time-period for attaining their targets. To achieve, they are to simply "follow the system". The need to desire and dream of vast sums of money that will ensure financial independence is key. Belief in this possibility was highly visible during interviews, as participants claimed to foresee themselves eventually achieving their targets. They

claimed that to achieve their vast income objectives, all they need is diligence in following the system. While emphasis is on “dreams”, less attention is on the process of attainment. Indeed, like an unimportant addendum, advocates add that the measure of operatives’ dreams should regulate their current and future investments (i.e. recruiting, mentoring, marketing, and selling) in their MLM enterprises. The key talking point is that so long as individuals conscientiously follow the established protocol with the essential foci, their income targets are attainable within their set timeframes, perhaps even more rapidly if they double their commitments and maximize their inputs. Although mathematical permutations display the attainability income goals, the specifics of how this was to come to fruition in terms of effort, time and income investments remained opaque. For example, a typical projection is for an operative to recruit five individuals as downline operatives, then *mentor* these recruits to each recruit and mentor five individuals themselves, and to do the same ad infinitum. At each level of recruiting, the fortunes of each operative advances up the hierarchy. This seems straightforward and even easy. However, despite the hype, what qualifies as sufficient time and input for specific dream levels is indeterminate and left to operatives to interpret and experience. In response to my question about the rationality of MLM business, Martha, an ex-operative in her late 40s who spent over a decade in MLM and rose up the hierarchy before *regretfully*[35] quitting in favour of a formal sector job described the effort and time-input as intense and, in the end, similar to the often vilified formal sector “9-5 jobs”:

> It’s rational business but you don’t know how much effort it takes. … You have to be doing something to build your business every day. I will make phone calls. I will constantly be generating people on my list ... You are constantly collecting numbers. You are constantly generating your list, piquing interest, prospecting and acquiring customers – note that ultimately income comes through sales not recruiting. You are training people: role playing, you practice customer

> acquisition … we have a list of objections and we have ways of overcoming them. Sometimes you are tired, and you just don't do it the way you should and you just ask them to be your customers. … It is as hard as your 9-5 jobs ... The time I spent trying to reach people versus the money I got wasn't worth it.

Given the compensation structure in MLM, the issue then is whether the average operative can make sufficient income to subsist and perhaps live reasonably outside the realm of precarity. The next section examines the MLM structure more closely.

3.2 THE MLM STRUCTURE

In contrast with formal sector employment, study participants and presenters at all events I attended during fieldwork described MLM as the utopian-like means of income that the "responsible person" who truly cares for their children or family and who desires their comfort and well-being ought to favour. They query the rationality of rejecting "the opportunity to be an independent entrepreneur" who answers to "no boss" and who self-determines their own work schedule and income.

The belief in income determination is premised on the assertion and accepted belief that, unlike formal sector employers, the MLM system equitably compensates for **actual** work done, which at any point in time positions the operative as able to control and manage their earned income. This builds on the often-repeated notion that individuals define their destiny, that is to say their prosperity, by their investments in activities such as marketing, selling, learning, mentoring, and recruiting, all of which are necessary for business growth. As prospects, participants found the vision of control over their earnings liberating, empowering, and a strong rationale to join. This vision also enhances retention and high-level medium-term commitment. Referenced as hard work, it means spending more hours recruiting and attending motivational and training events, which necessitate sacrifices such as reducing social activities and cutting off

their “cable television”[36] to free up more time. The reckoning is that commitment through hard work (i.e. inputted work time, effort, and related sacrifices) equals high income. It is worth noting here that since immigrants already believe in and expect positive outcomes from so-called hard work (as discussed in Chapter 4), they can more easily be persuaded that the pay-off for hard work resides in MLM and not in formal sector employment.

The prospect of having control over earnings is both a powerful draw and major talking point. For example, Oliver, a male operative’s matter-of-fact claim that, “I know what to do to earn $5000 if I want to earn that” typifies this belief and the general appeal. Yet, during discussion, he like other operatives lamented that his efforts have consistently failed to generate the necessary volume of sales for the uptick of his business. This has resulted in him having to reduce his business-building activities to enable him increase his time in formal sector work to make ends meet. Thus, even though the ability to determine earnings has been less than factual in practice, it is nonetheless very appealing and consistently repeated as realistic. However, despite its rhetorical coherence the very structure of the MLM system is the obstacle that relegates this to the realm of fantasy. This is because under the structure, actual earnings include a percentage from downlines’ composite sales, plus operatives’ personal sales, less the percentage transferred up the hierarchy. As such, the vision of selectively determining earned income at any point in time may not be within the purview of operatives under the MLM system. While an operative could perhaps, personally generate the bulk of the sales volume necessary to achieve the desired income, such practice falls outside the MLM model[37]. Besides being a travesty to the system, the operative would find it tasking

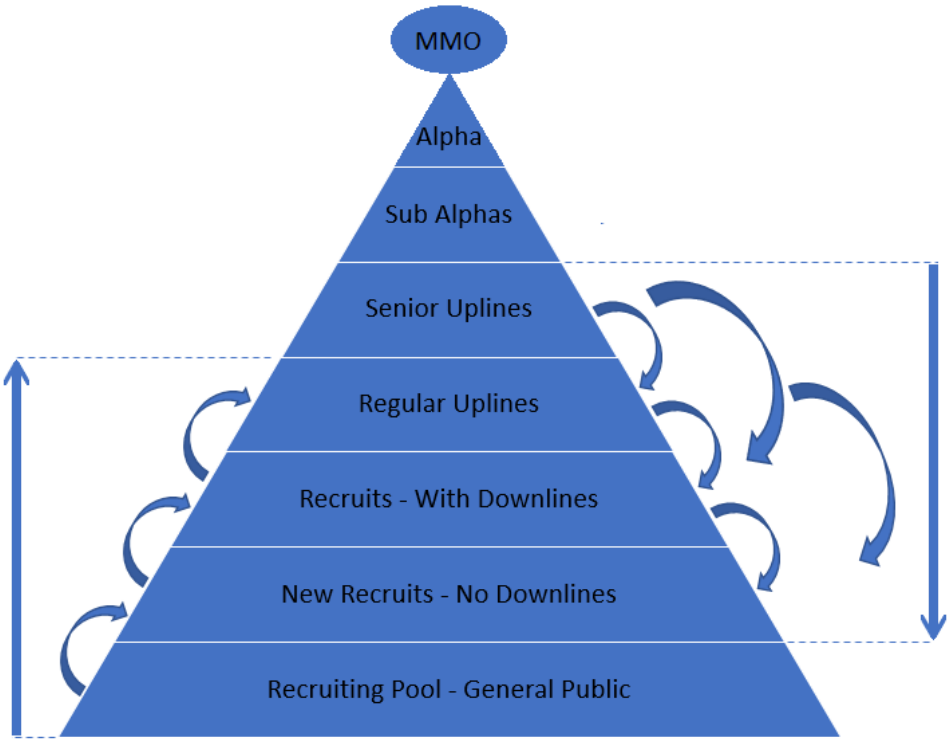
(as some discovered) and give up. Under the premise of the MLM structure, individuals' earnings continue to depend on the activities of their downlines, who they may influence but not control. Therefore, while an operative may work hard recruiting, mentoring, and selling allied products and services, these may not translate into projected earnings without the commensurate or higher levels of engagement by the network of downlines.

Nevertheless, regardless of impracticalities and contradictions that surface in practice but that are obscured in narratives at recruitment and motivational events, participants continue to find MLM credible when juxtaposed against formal sector work. Of particular significance, the fact that Multilevel Marketing Organizations (MMOs) - whose products and services their allied groups peddle - operate also in the much-vilified formal sector with profit and not philanthropy as their operational philosophy, seems lost on operatives. Usually, advocates present MLM as independent of MMOs, though acknowledging they are connected in a vaguely defined way. At events and during interviews (and informal discussions) with a few leaders, the links to allied MMOs are cursorily mentioned either to lend credence to the quality of products and services that they represent or to demonstrate the certainty of the continued inflow of commission income. The representation is that because MLMs are indispensable to MMOs' bottom-lines, the latter maintain the relationship by not interfering in the affairs of their allied groups (Kong 2001). However, as indicated in Chapter 1, MLM is a marketing and sales strategy employed by MMOs to get their products and services to end-users at minimum cost inputs. As such, an MLM group is really a division of their allied MMO (such as Amway, Avon, and Herbalife etcetera) and is subject to their organizational policies and control.

In essence, the recognized leader (as in the event above) of an MLM group is, so to speak, the *Manager* (or *Supervisor*) of an independent sales force organized by the MMO. At the helm of an MLM organization, therefore, is said *Manager*, the lead operative herein referred to as the *Alpha* who, as the original franchisee of an MMO, is the primary linkage to the organization. The national leader of the conference described at the beginning of this chapter is the Alpha for that MLM brand. He sits at the apex of the hierarchy in Canada and every operative associated with that MLM therein is linked to him and, indeed, works for him. He, and others like him, are the actual business entrepreneurs in that they received the franchise to recruit others to market and sell their MMO's product and services in return for cuts, called bonuses from such composite sales. In the process, Alphas also receive the adulation of their recruits, as seen earlier. This transcends gender. At another conference, the Alpha of the group, a woman in MLM for about two decades, received similar hero-worship and adulation. Thus, irrespective of the product/service represented and peddled, every recruit associated with a specific MLM within (and even beyond) a region linked to the Alpha works for the Alpha, who is the singular direct link to the MMO. All other operatives down the hierarchy are downlines enfranchised by the Alpha to recruit others to do the same, and so on. The succeeding linkages move further away from the MMOs, which become increasingly obscured as the Alpha and sub-Alphas (i.e. uplines closer to the Alpha) become the faces of each MLM chapter allied to the MMO in the background. Nonetheless, the MMO continues to accumulate profit. Though the reputation and size of the MMO is inserted to inspire confidence in the credibility and income security of the MLM process, the MMO is represented as involved in the MLM system out of the

(benevolent) disposition to “put more money in the pockets of individuals”[38] instead of expending it on business costs such as advertising, marketing, and warehousing. Figure 3 provides a representation of this hierarchical, pyramid-like relationship.

Figure 3 - Basic MLM Structure



3.2.1 The Compensation Structure

The relationship between recruits and their recruiters, who become their uplines, is really one of a disguised and flexible employer-employee relationship, albeit without the formal employment contract, guaranteed compensation, or legal regulation operant in the formal sector. In MLM, there is reversal in the usual hiring process to determine fit before engaging in employment relations. In MLM, the recruit determines ‘fit’ to work for the upline[39]. Despite assertions by participants about being “careful” about whom they

recruit because they do not want to waste their time, operatives recruit all comers. The fact is that in practice, each operative's entrepreneurial business is really a start-up enterprise embedded within other start-up enterprises owned by previously recruited entrepreneurs who are also focused on building wealth by amassing the surpluses of their respective recruits. The reality is that without downlines, a recruit is limited only to what s/he can sell using personal resources. Hence, new recruits experience much pressure to acquire their own recruits to augment personal sales efforts. Indeed, under the MLM system, operatives do not expect to carry out the main sales themselves; hence the need for recruits who then acquire their own respective recruits, and so on. The idea is that through leveraging the multiple sales activities (including purchases for personal use) by their recruits, operatives can achieve the required volume to receive targeted pay-outs in commissions from the MMOs who set the targets. When recruited, operatives, especially new recruits, do not even realize that they are assenting to work-for-free, for the most part, and at their own costs. In addition, since the reward levels and conditions are pre-determined by the MMOs, who can move the bar at will, the volume target to usher in the rewards remains indeterminate.

For example, operators constantly worry about the need to both maintain their present targets and to attain the targets for their next reward levels because any decline will result in income reduction and loss of status. This was the experience of some participants, including two native-born Canadians. This is the reason for the continuous cycle of business 'growing' without most MLM participants attaining economic freedom. Hence, although testimonials attest to the effectiveness of the system to reward dedicated adherents, few achieve this outcome because the structural conditions of

MLM favour those at the top of the hierarchy. Getting to that top, however, is the uphill climb that few attain. In the following excerpt, Angie, a female ex-operative whose advance up the hierarchy was truncated to the point that she dropped back two levels explains her decision to quit because of difficulties she experienced in this regard:

> You have to keep working hard which is a good thing because you don't keep enjoying people's sweat...The signed-ins some of them were not serious, they did not take the business seriously and they were not working and they were not producing results; ... It didn't bother me that they were not working like me because they still work but their hours are reduced. I got to District Manager within one week. I was to get to Area manager but some dropped out ... I could not meet my target ... One of those who signed-in was a teacher, newlywed and she had a baby… she became very busy with the baby and her marriage and she could not continue. She was a key person in my business …

From the foregoing, it is clear that the strict pay-for-performance arrangement of the MLM system seriously compromises the capacity to self-determine work intensity and work schedule, despite claims to the contrary from MLM representatives. This is evident in the fact that it is MMOs, not the so-called business owners, that unilaterally pre-determine the performance levels and income that can be generated at each of the levels. MMOs also determine the terms and rules that guide business owners' transactions and interactions within the system. Not only can MMOs modify their requirements at will without input from so-called independent business owner partners, the latter have no recourse other than to quit and lose their investments in downlines. For example, Pampered Chef, an established MMO, recently modified their policy as follows: "Starting Oct. 1 [2020], consultants who purchase the Deluxe Kit and the Ultimate Kit will no longer receive the Microplane Adjustable Coarse Grater. Instead, those consultants will get a 30-day extension of their personal

website subscriptions”[40]. Consultants are not given the option to choose either the grater, which costs $40, or the subscription, which costs $6.

Operatives may not fear termination as they would from employers in the formal sector. To earn income in MLM, however, each operator must still work within the parameters set by the MMOs over which they have no control. In the final analyses therefore, operators do not fare better than their counterparts in the formal sector, who also have to abide by the terms of their employment and workplaces to earn the predetermined but regular wages for their labour.

3.2.2 Pitfalls of the MLM’s Structure, Principles and Promises:

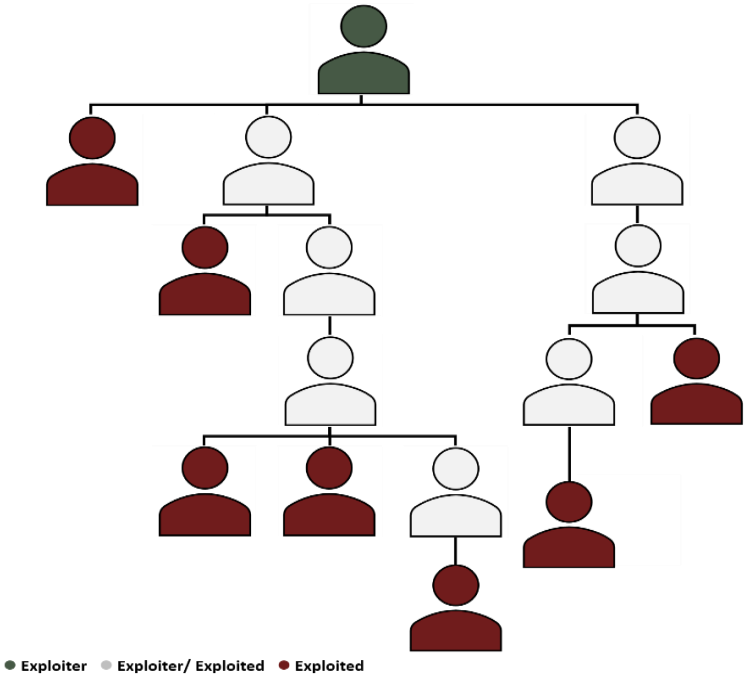
The typical capitalist model of wage labour is based on two disproportionate but distinct roles: the producers (Labour), who are exploited in the process of production; and the appropriators (Capital), who exploit the producers (Marx 1976/1867; Braverman 1974). Labour’s exploitation is facilitated by the lack of ownership of the means of production and need for subsistence, which necessitates contractually selling its embodied abilities (one’s labour power) to produce to Capital for a defined period of time in exchange for income. Thus enabled, Capital offers wages as compensation and extracts surplus value in return by ensuring Labour produces more value within the contractual timeframe than the receipt in wages. Thus enriched, Capital is able to establish a systematic and systemic access to the now dependent Labour’s abilities and surplus outputs. The MLM model is both similar and different from this classic model.

Structurally, MLM retains capitalism’s core relations of exploitation, though these are transformed into its own unique form and encased in the democratic rhetoric discussed above. Thus evolved, MLM’s initiators (capitalist MMOs) acquire operatives

to become willing accessories to their own exploitation, and to that of others. Unlike classic capitalism where surplus value is the difference between paid wages and actual production, uniquely in MLM the extracted value (surplus) is at no cost to Capital (MMOs) which pays no baseline wages to the primary producers' (Operatives as Labour), but nevertheless retains the right to determine compensation for Labour's self-sponsored outputs. The labour by operatives is free by virtue of the MLM structure whereby operatives sign-up to bear the costs of their own production, which they willingly give up to MMOs allied to their MLM group. In this relation, operatives are unaware of the fact of ongoing value extraction, or of the level of this extraction.

As 'participants' in the exploitation of others and themselves, the dual roles of exploiter-exploited potentially embodied in every MLM recruit become operant through the acquisition of downlines. In this way, MMOs fragment their appropriation and risks across individuals in the system. Unseen, they retain all the benefits and power of capitalists minus the risks, criticisms, and conflicts that confront capitalists in the formal sector. These include unionization, labour unrest, or state regulations that aim to protect workers. In MLM, the roles of exploiter and exploited are subsumed in the same individual simultaneously, and alternatively along the hierarchical system of appropriation as shown in Figure 4 below.

Figure 4 - MLM's System of Value Appropriation



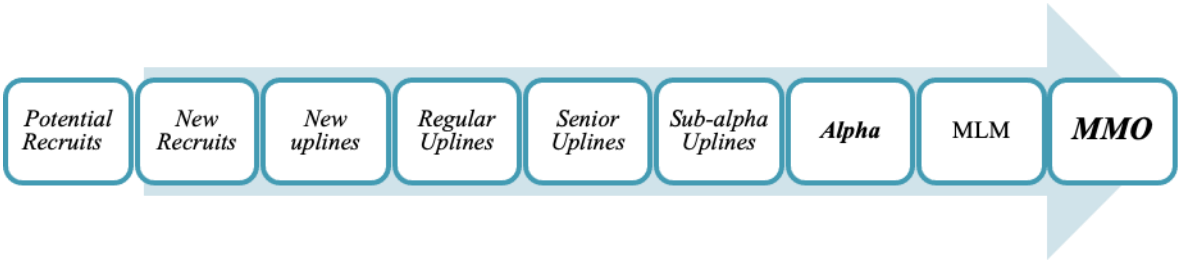
In this system, uplines in alliance with MMOs partake in the exploitative appropriation of the ‘surplus value’ generated by downlines. Simultaneously however, they also are subjects of exploitation and deprived of their own ‘surplus value’ through their roles as downlines to others above them in the hierarchy. Since every upline is a direct downline to a higher upline and the indirect downline to others higher up the hierarchy, they are subjected to multiple extractions funnelled upwards across all the linkages and layers of their subordination. In reverse, the upline becomes the multiple exploiter of their direct and indirect downlines. Downlines without recruits, having not elevated themselves to upline positions, bear the full burdens of their hierarchies and have their out-of-pocket outputs appropriated. Operating only as the base of the hierarchy, these downlines, if active, continue to prop up the system only as ‘the exploited’, that is until they acquire their own active downlines. Then, as uplines, they

can move up the ladder as exploiters. Without active downlines, active operatives literally pay to work for free, as revealed by the decades-old Amway study (Barret 2004). Because recruits push the benefits up the hierarchy to the immediate upline and beyond, recruiting continues to be a major talking point in MLM dressed up as *helping people.* This is what they refer to as residual income: the source of the sought-after financial independence, which simply refers to surplus value as revenue continuously and systemically extracted from downlines' outputs at no cost to uplines[41] or MMO recipients. However, only the MMOs extract surplus at no cost whatsoever because the uplines invest their own resources into acquiring their recruits (downlines). The MMO (Capital) versus Operative (Labour) relationship may be depicted as follows:

> *MMO* ≥ MLM **>** ***Alpha*** **>** *Sub-alpha Uplines* **>** *Senior Uplines* **>** *Regular uplines* **>** *New Uplines* > *New recruits*.

In diagram form, this set of relationships is captured in Figure 5.

Figure 5 - MLM Compensation Structure



Typically, the process of extraction and appropriation is presented rhetorically as fair and reasonable by leaders[42] who declare at their events that operatives are equitably compensated for their outputs as part of the MMOs' benevolence, unlike employment wages in the formal sector that are inequitable with work inputs.

Interestingly, participants, including ex-operatives agree. Their agreement, which seemed to be more about the *idea* of equity rather than any lived experience of equity, however, allows MLM retain its authenticity. This is because participants blame themselves for their low earnings in MLM and continue to reiterate that the compensation structure is fair. The problem, as they see it, is their own ineffectiveness, rather than any fault of the MLM system itself. This of course, is not the case. Notwithstanding, the belief in equitable compensation in MLM remains strong as demonstrated by the following excepted example of Shirley who declared herself as "not too active":

> When you work in MLM, you kind of determine how much you want to earn. I know some people think it is a scam. I don't think it is a scam. I am very sceptical. When you bring in people, you earn a small percentage of what they get; and you also do your own work. You have to be committed. It is something that you can do in your own time; you can set your own time. Even as a part-time, you can meet someone at the bus stop and strike up a conversation … If you make four appointments a week that determines your income.

Despite Shirley's avowal, she prioritizes her formal sector work, a contract position[43], over her MLM enterprise. Her reason, in her words, is that: "some people find it [marketing and recruiting] difficult. I find it difficult". Thus, her so-called belief in MLM compensation equity that grants her the potential ability to determine her income (in MLM) is not a reality she wishes to put to the test through "more active" engagement in MLM at the expense of her so-called inequitable, uncertain and repressive formal sector work. The idea of equity in MLM thus becomes merely an emotional crutch and hope that empowers, comforts and perhaps numbs her insecurity.

In practice, MMOs appropriate operatives' outputs paying commissions on sales volumes as they deem appropriate,[44] without the benefit of legislated minimum levels of

compensation, exists for most workers in the formal labour market. Indeed, MMOs may be said to appropriate more value from operatives than formal sector employers who, unlike MMOs, have wages or contractual obligations to their workers. Without income support from MMOs, operatives source their own resources (through formal sector jobs, intermittent contractual businesses or jobs) to support the productive output they give up. Even then, the aggregate value of the self-funded production is determined by the MLM system controlled by MMOs. The operative is thus unable to factor in the cost of production in order to extract profit or at least break even. In the following excerpt, a former operative, Martha, explains how she sourced funds for her MLM business through formal sector business activities and reliance on income from her spouse's formal sector work:

> I had a flyer delivery business … I hired high school people to deliver the flyers. ... and I [also] sold clothes. I made a few hundred dollars a month. Sometimes, my husband's income from his job. …"

How then can an operative access the prosperity believed to reside in the MLM system? Bearing the total costs of (sales) outputs and self-reproduction, the operative must consistently ensure significantly high output (sales-volume) at consistently minimal inputs (costs) to recoup investments and to earn the profits that will usher in the expected prosperity. Advocates, including event presenters and study participants, generally admit this to be impossible through a solo effort, hence the high emphasis on: (a) recruitment as a way of leveraging on others' efforts; and (b) retaining formal sector work or business to subsist and to fund their MLM entrepreneurial businesses. Since the MLM structure grants no control to operatives over the compensation (or appropriation) matrix, they may, and indeed often receive less income in MLM than

would be the case with commensurate efforts in formal sector employment. Operatives' eventual realization of this becomes a motivation for attrition. For example, motivated by MLM's flexibility that made it possible for her to own her own business and care for her children, Joyce, who has been in Canada for almost 10 years, eventually left MLM after five years of trying three MLM brands one after the other without success. She found the process of earning income in these MLM brands not only too demanding in terms of time and effort, they did not produce sufficient income. Eventually, she left for a formal sector job that also allows her care for her children.

> I made money but not real money …I did not have enough people and I had to dip my finger in my account. …The monthly fee became too much so I just shut it (i.e. first MMO) down. …XYX (i.e.name of second MMO), I have to buy the products, get people to place orders and distribute it. My cousin-in-law was helping me. She came to stay with us and when we get the orders, we will sort them together and distribute. It was hard work but it was two of us. But her husband told her to stop and I could not continue it alone so I gave that one up. … ABC (i.e. name of third MMO) – I have to pass an exam to sell insurance and I tried it once but I did not make it because I could not study because I have young children and I was always too tired when I get back from my marketing.

However, while many operatives leave, many others persevere, funding their MLM businesses with earnings from their formal sector employment. This is a key element of the exploitation in MLM that differs from what is experienced in the formal sector.

3.2.2a "Balancing the Ledger"

In persevering, the strategy for operatives is to manage their two conflicting roles by defaulting to Barth's (1981) concept of *balanced ledger*. This is the individual's innate desire to make the most of social (or economic) transactions, which in MLM means offsetting losses (as the exploited) with gains (as the exploiter). This means that income received as compensation must, at the minimum, be on par with inputs (embodied

abilities **+** time **+** resources). This is unattainable for most operatives, especially as they are usually unable to accurately identify and adequately account for, and cost all inputs. When asked, study participants' calculations of inputs in their businesses were generally nebulous[45]. At best, their accounting was typically based on specific quantifiable expenses such as product purchases and registration and event fees and travel expenses. Since consideration of all resource inputs (for example, inputs for meetings, phone calls and recruiting, labour of relatives, small-scale printing/photocopying, use of home for marketing activities, etc) did not seem to be a factor, the focus tended towards specific and identified income recovery rather than achieving a balanced ledger, as revealed by the following excerpts from Martha:

> I signed on with $500... You have to recruit people to sell the products and you get bonus from that. My goal was to get my first $500 back ... I was helping my business partners (recruits); I made a $90 bonus each time each one gets a 6th personal recruitment. You have to reach down and find ways to motivate people and help them to be successful.

For Martha, recouping her tangible investments ($500) was of paramount importance. She did not factor in the labour, time, and even personal income (travelling expenses for example) she invested in recouping her original investments.

Typically, operatives do not consider their expenditures on transportation or gas, time, and labour in recurrent activities[46], which include attendance at weekly meetings, recruiting, mentoring, marketing and product demonstrations, etcetera as costs that they should recoup in MLM. Indeed, under the MLM structure, operatives who follow the system find that 'balancing the ledger' (mental or material) is a dream that is continually difficult to realize. Similarly, even when some benefits are achieved, such as advancing

up the MLM hierarchy, maintenance of the new position is even more of an uphill task, as some participants discovered. While some quit in frustration or hit a temporary pause, others continue. Typically, those who continue can do so because MLM is not their main source of income, nor do they expect it to be during the indeterminate period of time spent growing the business. They are able to fund or subsidize their MLM expenditures with income from their formal sector jobs, which eases the pressure and the need for subsistence income from their MLM activities. Hence, most engage in both MLM and formal sector work as a matter of necessity.

Nevertheless, the pursuit of a balanced ledger (or the illusion of it) remains the goal of MLM operatives, which in the spirit of *self-interest rightly understood* identified by Tocqueville becomes the catalyst for continuation and commitment, at least in the interim. However, if balancing the ledger is a daunting task, maintaining the achieved balance is even more tenuous. Operatives' earnings, which are based on their accruable aggregate sales, are susceptible to uncertainty in their networks. Hence, achieved balances become compromised by any drop in sales attributable to a variety of factors, including downlines' illness, inactivity, unproductive efforts, or attrition. Recurring up-and-down swings in their MLM revenue are a source of constant concern and frustration to participants.

Regardless of not attaining balance, operatives' receipt of earnings and of recognition as hardworking become prestations signifying that they are on the right track to eventual financial prosperity. Yet the reality is that the expected income growth does not reside in merely attaining correspondence in roles as both exploiter and exploited. Rather, like in classic capitalism, success resides in excelling in the role of exploiter. For

operatives, this translates first into garnering a large army of committed downlines to achieve and maintain incremental accruable net sales output and, second, to reducing costs related to personal efforts and resources in selling and recruiting. These will marginalize the role of the exploited and will tip the balance sheet in the operative's favour as more the exploiter and less the exploited. At this point, the value gained as the exploiter will outstrip the value lost as the exploited. Those higher up the MLM totem pole (as uplines) also benefit from the improved net performance as the economic rewards are channelled upwards.

In MLM logic therefore, the *opportunity of a lifetime* facilitates capital accumulation without the prerequisite of capital ownership. Strategically combining Boltanski and Chiapello's (2006) social and artistic critiques of capitalism, which endows MLM with a utopian-like socialist-capitalist rhetoric full of wistful expectation, MLM attracts disempowered labour with the enticing prospect of acquiring access into the capitalist class through the MLM system. Once accepted, it becomes merely another way for the capitalist to access and acquire labour's output without coercion (Boltanski and Chiapello 2006; Burawoy 1979). Indeed, operatives willingly engage their abilities and resources in the service of capital (MMOs) and maintain the transactional relationship through impression management and prestations. The imperative to "follow the system" built into the opportunity rhetoric becomes the insurance against the possible charge of inauthenticity and loss of faith from disappointing returns. In the capitalist system, since ownership of capital always precedes accumulation through appropriation, the capital-poor operative (as labour) needs to acquire capital for the capitalist privilege of appropriation and accumulation. Hence, operatives start-off as

grossly exploited downlines to earn their right, so to speak, to exploit others. Secure in the knowledge that they too will get to exploit other hapless individuals that they recruit[47], operatives willingly submit their agency to the system, thereby sponsoring their own exploitation *and* the exploitation of others. A major aspect of *following the system* is to be docile and subordinate to the mentoring program by which the upline *guides* the downline along the systemically defined path of prosperity, as discussed below.

3.2.2b Mentorship

The principles of equality and liberty in MLM ostensibly eschew relations of subordination by which superiors control, repress, and oppress others with the power of dismissal. In practice however, the structural ambiguity in the system produces hierarchical relations similar to the formal sector's status and control system, albeit without the power of dismissal. Upline entrepreneurs manage their downline entrepreneurs as part of their own business growth to enhance their own earning potential. The management process that is referred to as "mentoring" and that is presented rhetorically at events and by participants as being in the interest of the mentee is, in effect, an apparatus of control. Undergirding mentoring, however, is the mentor's self-interest in the manner of Tocqueville's assertion. Since mentoring requires authority and control over downlines, uplines who have received public recognition more easily obtain willing compliance from their downlines through the management of impressions, just as Barth's Skipper (see Chapter Two). The mentorship control system keeps uplines relevant to maintain their reins on downlines with the view to influence their work-life activities to effectively expand their own revenue advantage. The fact is that uplines are striving to access the next rung of the hierarchically programmed

rewards system, determined by the volume of sales they can generate through their downlines. This requires them to eliminate or at least reduce attrition, and to increase active selling and recruiting by downlines. Lacking the coercive power of dismissal, mentors acquire respect and control like formal sector supervisors and managers, by which they manage and redirect the activities of downlines under the guise of 'helping' (mentoring) them along the path to financial independence. Through mentorship, the successful upline exercises authority over downlines.

The control that downlines cede to uplines, as well as its affects, was clearly demonstrated during interviews and interactions with participants and their uplines at MLM events. During interviews, some participants expressed gratitude to their uplines for their mentorship. However, when asked to elaborate on the substantive impact on their businesses, most vaguely assert that the mentor's counsel has "made me more focused …", or "a better person". For example, a participant[48], was given a daily and weekly program to follow that included a recruiting schedule of two training meetings a week, as well as a mid-week reporting/update session at the upline's personal residence. All of these were in addition to the operative's regular formal sector employment, which was needed for subsistence and to provide operating income to fund their MLM activities. According to MLM rhetoric, the more compliant downlines are to mentoring, the faster they can attain their financial targets.

3.2.3 The 'Game-Changer': The Modus Operandi of Recruiting

Since recruiting is clearly a mainstay of the MLM system and a key component of operatives' business growing activities, it warrants some attention. This section focuses on recruiting and the various techniques advocates employ to bring in new recruits. It is

worth mentioning that in no other area of the MLM system is coordination and collaboration among operatives more evident and deliberate and yet more compromising of the individual's liberty. Recruiting is a continuous activity that involves coordinated individual and group elements for maximum effectiveness.

At the individual level, operatives are to identify and approach potential prospects in their social networks as well as strangers. While experienced operatives could probably without help convince prospects to sign-on, this is not the recommended modus operandi, especially for neophytes. Typically, the objective is to get prospects to what is variously called an "information session", a "product demonstration meeting (or session)" or an "opportunity meeting", at which point the group element takes effect. At these meetings or sessions, which are held regularly to recruit new participants, well-orchestrated pressures to encourage registration are exerted on prospects by group 'experts'. Overviews of the different but concerted scripted recruiting methods follow below.

At both individual and group levels, the MLM system is presented generally as "the opportunity", or "the opportunity of a life-time" that will enhance the lives of those who choose it and make the commitment. Underlined by the (implicit) guarantee of progressive improvement in fortune, this phrase (or similar variations) with its underlying promise is central to scripted conversations that recruiters have with prospects[49]. According to participants, the aim is to "grab" a prospect's attention and to set in motion the desire to sign-on to MLM. It is also meant to imply and underscore the fortuity of being told of MLM's "unique opportunity" through their would-be recruiter(s). This reasoning is strongly emphasized at recruiting events where potential participants are

told with a sense of urgency to liaise with “the person who invited you”, that is, their recruiter-hosts. The sense of gratitude invoked is expected to make it difficult for quarries to say ‘no’ to registration. Ultimately hinging on the innate desire to not-miss-out, the phrase is projected to also invoke the sense of urgency that prompts quarries to register. Martha, a former operative, succinctly described the process as follows:

> They trained us well. You go to grocery stores; you have your card with you. You recruit the cashier and anybody you can talk to…. You ask a question to pique their interest: ‘are you open to making more money right now?’ Or, ‘if you could quit the job you are doing right now and replace your income in a short while, will you be interested?’ Or, ‘are you interested in a business opportunity geared towards entrepreneurial mindset but are risk averse?’ If they say ‘yes’, you give them a card … as you give it to them and you say ‘…come to the business opportunity meeting at so and so place and at so and so time to learn more. ...’ You have multiple of this thing on the go and you invite them to a business opportunity … and you get them to sign up.

As part of a recruiting script, the phrase and its variations protect new recruiters with limited skill and knowledge about MLM from hard questions and grilling by difficult quarries and sceptics. As a catch-all-phrase, it does the work of nudging targeted prospects into attending the recruiting meetings, which is the midstream objective. Once there, the *experts* take over. They favourably present the opportunity to achieve the desired end, registration. This process encourages rookie operatives to do the necessary legwork to direct bodies to the meetings even as it ensures that the MLM recruiting and retention rhetoric remains uniform and untainted by poor delivery. Maryam, a non-operative described her experience thus:

> A few of my friends’ parents and people I meet on a bus or on my lunch, they stop me and try to strike a conversation. …They put you in a corner and try to make you reflect on your work life…and they tell you they know how you can improve your life. They come well-dressed and drive good cars…and even pay for your lunch or coffee. …You see that the recruiter is financially stable but they don’t tell you much about the opportunity. …They get you all excited and you follow them. …We have met in some people’s house and they show

> products and they say it's going to change my life ...makeup, products to make you lose weight, make you look like Kim Kardashian, and live like Kim Kardashian. You [will] have more energy and more money.

Targeted prospects are presented with the urgent choice to register in order to begin to enhance their lives materially, versus choosing to walk away from the presented opportunity and remain economically and socially repressed, mediocre, and irrelevant. Those who opt for the opportunity are characterized as decisive and smart, whereas those who vacillate are told not to "walk away from progress" or not to "walk away from the opportunity of your life". It is noteworthy that although the case for the business opportunity comes with high-pressure rhetoric, individuals are still skilfully made to feel that the decision remains theirs to make,[50] even while being inundated by rhetoric conveying the irrationality of not making the "right decision" to register. By this, MLM seems to respect or promote the cause of liberty, prevent immediate registration remorse and the possible charge of being forced. The *opportunity* phrase, in its various forms is indispensable as an entry point to introduce the business or to, according to a participant, "hammer-in" points to "close-the-deal" and elicit attendance at a recruiting session, which will lead to the eventual "sign-up".

During interviews, MLM participants repeatedly affirmed their belief that the system was truly the "opportunity of a life-time" that should not be missed, giving evidence of the 'buy-in' to MLM. They claimed to recruit others (only) because of their convictions about the opportunity of MLM. Variations of this idea used by participants, trainers and presenters include: "a business opportunity"; "an opportunity to have your own business"; "the opportunity of a lifetime where you work for yourself"; or, "I would like to tell you about a great opportunity that will change your life". Sometimes it is presented as a question such as "would you be interested in learning about a great

opportunity to improve your life", or "what if I tell you about a great opportunity to increase your income and be your own boss?"

Weaving this idea into their presentations, event speakers and presenters add further credence with before–after testimonial evidence that simultaneously suggests: (a) the risk-free certainty that MLM truly ushers-in prosperity; and (b) that only unwise, unambitious, or irresponsible individuals would forego *the opportunity*. The desired outcome is always to recruit prospects and to re-motivate existing operatives to continue (Gabbay and Leenders 2003; Pratt 2000). Martha described her own recruitment experience as follows:

> I was earning $12.../hour as a — [i.e. the formal sector job]. I listened to the person, she was two levels below (i.e. the recruiter's upline). They played a video and they showed the people that are successful in the business … who started out like me. The atmosphere was weird – but I stayed behind to ask lots of questions. The meeting was at the property owned by David[51] (i.e. the recruiter's upline). I said, 'if these people are doing this business and they are wealthy - I can do it and be wealthy'…

Testimonial evidence of "truly successful people" in luxurious houses with expensive cars[52] and other trimmings of opulence are the staple of MLM events. These are mostly presented[53] at the information or opportunity (recruiting) meetings that target invited prospects. They employ two types of testimonials. The first, which typically initiates the meetings, entails short video testimonials usually featuring one or two[54] "very successful people" - the preference seems to be for couples. This is followed either by another video (*see below*) or by the personal testimonials of the speakers and presenters who, typically, are part of the leadership. Their objective is to encourage as many registrations as possible at the end of the session. For example, in every recruiting meeting attended, targeted quarries (the guests) invited by hard-working[55] operatives are shown to the assigned meeting rooms away from their hosts' own

sessions with the general membership. The art of persuasion is thus left to the presenters and their tools (videos, testimonials, statistics, and skilful rhetoric). At the end of the session, the guests are urged to immediately confer with their hosts – "the person who invited you[them]" to register without delay to begin their path to prosperity. The format of a typical session is described below.

Once "guests" settle in their seats, typically without preamble, the lights are dimmed and a video with scenic surroundings begins to play soft ambient music, with the eventual reveal of an expensively clad successful person or couple[56]. Walking around scenic, opulent surroundings with swimming pool and garage(s) housing expensive cars, they talk about their wealth and financial independence as the outcome of their MLM entrepreneurial enterprise. They may walk around their property holding wine glasses. They may ride horses, swim or simply show-off their opulence with expensive furnishings, wardrobes, jewellery and what they call "toys". Typically, their made-possible-by-MLM success story includes the claim of having emerged from unremarkable mediocrity to lives of significant travel and excitement, which they accessed when they signed-on, committed to, and "stuck with" the MLM opportunity. They typically describe their tenacity and "hunger" to prosper, which spurred their unequivocal commitment to the opportunity despite criticisms and negativity from friends and family.

The short five to eight-minutes film is usually the very first communication that prospects are exposed to at recruiting events. At the end of the video testimonial, the designated speaker for the section would introduce him/herself and talk about how s/he came to be part of MLM. Eloquently doubling down on the benefits presented in the

video testimonial, s/he too would elaborate on how aligning with MLM has “changed my life”. Despite already attaining more prosperity than they ever had in formal sector employment, their goal is to be truly *successful* and have *financial freedom* like the people in the film. Testimonials are by various individuals, including the previously unemployed, the “corporate ladder” climber, those in the *rat race*, *nine-to-five* or *dead-end jobs* workers and professionals such as lawyers and bankers. The common denominator is the desire for success, flexibility, and autonomy, without the stress or obligation to work less or more. They also express the desire to increase their income, have spare time to travel, be with loved ones and/or simply enjoy success and wealth.

Occasionally (as in a couple of the meetings attended), the standard prosperity testimonial is paired with another testimonial of dire predictions based on statistics about the unstable state of the economy, the oppressive work-life imbalance and the indebtedness of the average formal sector employee. Subsequent explanations and personal testimonials by presenters and speakers reference such statistics to make the case for MLM as the only conceivable hope people have to improve their lives.

The general theme of the testimonials is that MLM is authentic. Testimonials also normalize the idea that anyone could prosper, as evidenced by the “regular people” who have needs and aspirations with which audience members can identify. They too had struggled with financial concerns and work-life and time imbalances before they accessed the MLM opportunity and “took the first step” to sign-up. The MLM process is repeatedly presented as straightforward in that individuals only need to register, set desired income targets, and diligently work towards achieving these targets through grit and fidelity to the system. Study participants acknowledged that testimonials

(re)assured them that they too could be “successful”. The aspirational concept of “success” is equated with having sufficient income to acquire wealth, gain leisure time, travel and afford early “retirement” from work. The depictions of opulence and the declarations of financial freedom from MLM success stories actively motivates and normalizes the aggressive pursuit of wealth, all of which is premised on the belief that MLM holds the potential for equitable compensation[57] for work done. Active accumulation of capital thus becomes a positive, legitimate and noble pursuit through MLM, as compared to formal sector work, where capital accumulation benefits bosses at the expense of employees. The claim of altruism that MLM work is said to entail ameliorates potential unease towards frequent declarations of the active pursuit of money. Through repetition operatives embrace the idea that they are “helping people”, repeating this almost like a shield against the possible discomforts that brazen commitment to materialism portends, as noted by Tocqueville (1835/2004) and Sennett (1998). An unabashed commitment to the acquisition of money is displayed through symbols of an extravagant lifestyle, which are seen as the measure of well-deserved success. Such symbols are to be proudly displayed and enjoyed, having been earned through altruistic hard work and disciplined diligence. The leader’s speech at the beginning of this chapter captured this sentiment. Conformity to the system is presented repeatedly as necessary to attain success and the portrayal of the would-be-successful operative helps manage and maintain the integrity of MLM’s structure.

3.2.4 Characterization of the “Successful” Personnel

Through copious testimonials, MLM presenters use emotion as a vehicle to appeal to the aspirations of individuals for both recognition and the love for material comforts in

attempt to produce the restlessness and fear of missing out noted by Tocqueville. To draw in outsiders, reinforce insiders' enthusiasm and engender compliance, leaders at events position the character of operatives that attain financial success as strong, decisive, responsible, and worth emulating. Participants also echoed this sentiment during the individual discussions. The general point of view is that by choosing to break away from the cycle of repression and exploitation said to be prevalent in formal employment, individuals who choose MLM are emulating the positive examples of the success stories presented in MLM testimonials. This stems from the fact that decisions to align with MLM are often met with scepticism and unease from new recruits' networks of friends and families, who often strive to dissuade the newly minted entrepreneur from the MLM path. As Gabbay and Leenders (2003) note, to nurture and help sustain their original conviction about the appropriateness of MLM, new recruits are thought to require the most support from their direct uplines and experienced operatives within their hierarchies at this stage. New leaders and uplines therefore encourage and even pressure new recruits to attend "support meetings" and other events aimed at education and assisting them to maintain focus and follow the system. The diligent operative thus is one who attends scheduled events and meetings, who unequivocally focuses on financial independence, and who knows how to identify and shun unhelpful naysayers (Bloch 1996). In addition, such individuals will tenaciously persevere in the face of unavoidable business downturns that are normal to businesses everywhere[58]. The vindication for the diligent operative who perseveres is the attainment of the desired financial freedom. The various testimonials seemingly affirm that the pursuit of success requires tenaciously resisting criticism. Consequently, all operatives who are actively

contending with negativity are encouraged to dismiss detractors as ignorant outsiders and to hold onto the conviction that they are on the pathway to success.

Activities such as picnics, carpooling, pooling resources for long-distance trips to events, and sharing hotel accommodations and unique performative routines give operatives the sense of friendship, distinction, and acceptance as part of a unique movement of enlightened people focused on economic independence. Reminiscent of Boltanski and Thévenot's (2006) fame polity, some participants admitted to finding this process exciting and exhilarating, obscuring the fact that they are expending personal resources without commensurate returns from the relationship. They maintain the belief that their activities will eventually translate to the success demonstrated in the testimonials, and they repeat the scripted texts that are part of the repertoire at events. Operatives usually come away from meetings and conferences with renewed zeal and fervour to continue (Gabbay and Leenders 2003). Martha, who was highly active in MLM for over 10 years before reluctantly quitting, confessed that she still missed the camaraderie and excitement of her MLM days:

> Every Saturday, they had a meeting for multiple hours. They work on your mindset to help you handle rejection and not lose faith… There was a religious fervour there that pervades the Saturday meetings. They will parade the RVPs (Regional Vice Presidents) and have them speak to you. Some of them will photocopy their cheques to show people. One of them retired at the age of 35 years. …You hear exciting testimonials, exciting music … the love was great…. And the conventions, they were exciting. Remember, I was a homemaker, going to places that I had never been to before was exciting. … Oh, we found ways to make it cheaper - cheap flights, sometimes, we pack ourselves into a car, 5 people in an SUV and we chip in gas money sometimes. … it was fun, it was exciting. They helped me and they helped change my mindset. … Network marketing became like family. You bond together.

Operatives hear that those who persevere and "stick-with it" long enough to achieve financial success in MLM demonstrate their high sense of responsibility and generosity

towards their loved ones. The primary argument is that those who genuinely care for their families and loved ones are inclined to be hard working because they are building transferable material security. A leader at an event described how she was able to send money “home” to relocate her “loving mother, who had stood by” her in all her travails, into better accommodations. She declared that this was possible because she “saw the opportunity and ran with it”. This specific issue strikes at the heart of the average immigrant operative, as the desire to secure material prosperity for dependents is at the heart of their move to Canada, and they are willing to endure hardships to achieve this (see Chapter 4).

Again, operatives are repeatedly told to consider their engagement in MLM as a service to humanity because they offer genuine help to people through education, recruitment, and the sale of quality products and services. Their MLM activities are said to provide good quality products, services, and access to the business opportunity to people who are uninformed and exploited. Also, operatives are told that “growing your business” by actively following the system and allowing themselves to be coachable and mentored makes them potential philanthropists because they will attain the level of prosperity that makes philanthropy possible. They can then afford to share their wealth generously and be in the enviable and heart-warming position to “make a difference”, and “give back” to society. Some of the “successful people” claimed to donate regularly to charities because they have enough to spare and “give back to society”. Another leader at an event declared that any lack of diligence by operatives in their businesses is a form of selfishness because they are wasting the opportunity to “enter the millionaire club”, which will then enable them help others. With tears in her eyes, this

leader described how she donated medicine to mothers and babies who could not afford it, and the gratitude they expressed to her and (in turn) her gratitude to MLM for making her actions possible. She declared that anyone who has access to MLM and fails to actively persevere and use the opportunity to grow rich is lazy, irresponsible, and "literarily ripping a child from the mother's arms because without help, they will die". Roger an operative in leadership position summarized this sentiment as follows:

> The beginning of a business is selfish. It is only when you are successful that you can afford to be generous. Building a successful business is 30% mental development [and] 70% hard work. People must appreciate mentorship, people must appreciate mentorship … You teach people the principles to help them live [a] good life; teaching each single person to have freedom without the risks of distractions, to develop business owner mindset. Asset is what generates cashflow – explain that you are building an asset - cash flow millionaire. Get people to think about where they get their information from. …

Along this line, operatives see themselves as rescuing their recruits from exploitative formal sector employment, even as they are being rescued themselves. The success of operatives is seen as tied to mentorship, which aims to foster systematic growth and personal development. Hence, an operative should be willing to learn, attend events, and submit to being mentored in order to be able to successfully mentor their own downlines. The net outcome of mentorship will be increased self-assurance and confidence accruing from having a flow of income that is made possible because the operative-recruit followed the system and disassociated from critics. In the end, the wealth of resilient operatives will validate the correctness of their decision and "shame those people" critical of MLM.

Active and docile operatives who follow the system are characterized as those "who are serious about their financial future", or who are "candidates for the millionaire's club". Testimonials by leaders at the weekly[59] meetings for operatives,[60] which also

feature recognition of milestones such as adding new recruits, increased sales volume, or movement up the leadership level (based on the combined metrics of downlines), continuously reinforce the positive characterizations of the effective operative. Represented and interpreted as team support, every milestone receives recognition by the leaders who, as uplines, have significant interests vested in affirming compliance. Individuals called to the platform for recognition receive applause and, at times, gifts of cars, special jackets, flowers, ribbons, rings, or a handshake by the leadership. At major or annual events, senior leaders oversee the recognition process celebrated at more public and increasingly impressive levels. Recognition events where vehicles, vacations or expensive jewellery are gifted become recruitment opportunities and are open by invitation to the public. Overall, recognition is a key part of MLM life in that it discourages attrition, maintains conformity, boosts operatives' morale, and generates positive interests in MLM. As inspiration, it seems effective in that participants expressed desire for recognition for "following the system" by maintaining or increasing their commitments and inputs. Recognition is addictive and it seems to particularly resonate with immigrant participants' passion to 'make-it' (see Chapter Four). One female operative declared that attendance at an award event was the catalyst to her registering for MLM, stating "I listened and I was convinced I can do it. I said to myself: 'I can do these'. These people are people like me… I told myself, if they can do it, I can do it too…. I signed up".

Sectional Summary: Structurally, the MLM system forms a bridge between the formal and the informal sectors of the economy. Both sectors operate within the capitalist framework and uphold the exploitation of labour for profit. Straddling both sectors, the

exploitation of workers that MLM strongly vilifies is, in fact, an insidious norm within the MLM system. The insidiousness is in the fact that though loudly called out against the former sector, exploitation in MLM is obscured and normalized. First, the fact that operatives are subject to systemic processes and earning levels that are pre-determined and modified without consultation negates the notion that operatives (can) determine their own earnings by their inputs. However, this fact is masked by testimonial examples of “those who have been successful”. This authenticates MLM, motivates its unquestioning acceptance by recruits and paves the way for attributing unfulfilled expectations to individual failures and not the system itself.

Analytically, the seemingly coherent reward system is restrictive and based on serialized exploitation in that operatives amass wealth by their capacity to recruit and manage an army of active downline operatives to produce sufficient volume of sales. This is because, by signing-on, an operative becomes a pseudo-employee of another operative’s entrepreneurial enterprise and, therefore, a source of income. As the operative is not in a formal employment relationship, or recognized as an independent contractor, the operative earns no income for important but non-quantifiable services, such as recruiting, marketing, attending events, purchase of learning materials, etcetera. Instead, as an upline, the operative receives income only for personal and composite sales made by those linked to his/her “business”. Since uplines are rewarded on the aggregate outputs of their downlines, they earn income at the expense of each downline, who might be operating at a loss in that a downline’s output might be less than the cost of their inputs. The issue then is not simply to determine whether precarity exists in MLM (it does), but rather to analyse it sociologically.

3.3 ANALYSING PRECARITY IN MLM

It is clear from the interviews and interactions at events that conceptions of equity and autonomy that operatives claim and cling to as self-styled entrepreneurs are more illusory than real. Bone (2006) refers to entrepreneurship in MLM as *fictitious self-employment*. Akin to formal sector employees, operatives conduct their entrepreneurial activities within the constraints of a system that tethers their exercise of agency to the interests of the owners of capital, on whom they depend for revenue to secure their "financial independence". This is because, lacking capital, they have only their ability to labour to bargain with. Since the owners of capital (which include MMOs) dictate the terms of engagement of the transactional relationship with those dependent on their capital (labour), irrespective of their nomenclature, any exercise of agency on the part of MLM participants does not, and cannot impinge on the profits of MMOs. For example, as discussed above, operatives neither fix nor influence decisions on sales volumes required for the different levels of earnings in commissions and bonuses. MMOs set targets in relation to their profit agenda and they reserve the right to move these targets. Again, the fact that most operatives simultaneously engage in MLM activities and employment in the formal sector to fund their entrepreneurial enterprises is indication of the limits of MLM. This is because operatives utilize the economic resources they earn from their employment in the formal sector to support to further their MLM activities, which remain economically unrewarding. The issue, however, is whether these facts place MLM in the realm of precarious employment, especially as operatives' unique position as non-employees lacks any formal sector equivalence. Their similarity to independent contractors in the formal sector is limited to the nomenclature "independent" because, among other things, true independent contractors exercise

more control over their contractual transactions and income sources than do MLM operatives. For example, while independent contractors may have contractual agreements that tie them to one client as the source of contractual income, not only are the terms clearly defined, the contractor may opt for similar but more favourable clients without having to start building their capital base all over again. This is not so for the MLM operator. Even though an operative may technically quit, this results in the loss of all capital resources (i.e. army of downlines) accumulated over time. S/he will need to start at the base of the hierarchy in another MLM group and develop another army of downlines.

To help evaluate precarious work (see Chapter 2), scholars have identified conditions of precariousness as being on a continuum defined by the diversity of employment situations in contemporary economy (Vosko 2010, 2006; see also Pupo et al. 2010; Pupo and Thomas 2010; Ross 2008). For Vosko (2010:2), precarious employment is a function of factors organized around what she refers to as the dimensions of labour market security, which establish and regulate its prevalence and intensity. These dimensions of precariousness consist of: (a) degree of certainty of continuing employment - i.e. whether a job is permanent or temporary; (b) degree of regulatory effectiveness relating to the existence or otherwise of formal protections, their design, effectiveness and enforcement; (c) control over the labour process – i.e. working conditions, wages and work intensity; and (d) adequacy of the income package, which relates to wages and benefits. At their core, these elements deal with insecurity related to concerns over the involuntary loss of subsistence, status, or benefits.

Joseph, an operative's statement that "I joined because I wanted to upgrade my life" attests to the key concern that pulls individuals into MLM, which is fear of missing out on the opportunity to prosper and escape the drudgery or insecurity of their formal sector jobs. Insecurity also compels operatives to persist in MLM despite results that continue to contradict their expectations. Primarily, this is because of the assured *hope* for prosperity that is perceived to be inherent in MLM and absent in the formal sector. Having invested their social and economic resources into the system, operatives do not want to lose everything. They therefore persist in the hope that their investments will eventually pan out, especially in the face of barrages of prestations (discussed above) that keep such hopes alive. Hence, precarious lifestyle seems to be the norm for MLM operatives, at least during the indeterminate period of business growth when most continue to engage in formal sector employment alongside their MLM activities. Consequently, the issue here is not so much about whether MLM work is precarious, because it is. The real issue is about the complexity and severity of its precarity in relation to the precarity in formal sector employment. The major aspects of precariousness in MLM in comparison with the formal sector will be reviewed in this light.

The principal talking points among operatives relate to issues of security and autonomy. Herein, they celebrate their status as entrepreneurs, which - since they autonomously determine the intensity and/or scale of their work inputs - facilitates their self-determination in their work activities in terms of time, space, and earnings. Their entrepreneurial status also insulates them from the likelihood of being fired and any related anxiety. However, for most operatives, the reality is far less congenial. As

discussed above, their entrepreneurial businesses are not self-sustaining. Operatives typically work two jobs or more (i.e. MLM and formal sector jobs) to subsist and to fund their MLM activities while awaiting their anticipated yet-to-come prosperity big breaks. For this reason, employment in MLM cannot be considered stable or permanent. Indeed, like a revolving door, many operatives quit or become inactive even as the promises of security and autonomy persuade more on the outside to register. Participants and industry watchers also affirmed that many operatives quit and return to formal sector jobs, which they find to be more stable and beneficial in the long term. Those who remain in MLM continue to contribute profits to MMOs, who remain unencumbered with legislated obligations to workers, or with regular overhead costs in wages, worker benefits, administration and marketing. MLM operatives thus subsidize MMOs, helping them earn more profits by unwittingly furthering their own exploitation. Additionally, between the mentorship program and the systemic culture of attending events, alongside the unremitting need to balance the ledger to either maintain or attain increased earning status, the coveted autonomy is severely compromised.

When weighed against the four elements of Vosko's dimensions of labour market security, it is apparent that the precarious experiences of MLM operatives are similar and different - indeed, worse off than precarious experiences of formal sector workers, including independent contractors. MLM operatives have neither security nor *real* autonomy. They are also without state regulatory oversight available to most workers in the formal sector. Like their formal sector counterparts, operatives are also plagued by fear of losing status and income owing to imminent decline in their composite sales volumes, over which they have limited influence. Moreover, since operatives maintain

formal sector employment to fund their MLM activities, they experience double insecurity and strain - from MLM and from their formal sector jobs. Unlike formal sector employees, MLM operatives are not fired because, as non-employees, they are costless, and their marginal activities still provide easy profits to the MMOs' bottom-line. Instead, they quit when they can no longer sponsor their fading dreams of prosperity. However, other big dreamers in the revolving door of the MLM system soon replace them. Hence MLM's fortunes continue to grow.

Interestingly however, workers in each sector comparatively declare themselves to be better served in their respective sector, and hence choose to maintain their respective situation. For example, while MLM operatives consider themselves to have better prospects of becoming rich in MLM than in the formal sector, those engaged in the latter, which includes ex-operatives and non-operatives, disagree. For them, having regular, stable income outweighs the stress and instability that they either experienced or see as resident in MLM work. Hence, the dissatisfaction they expressed with their experiences in the formal sector notwithstanding, they consider themselves better served there than would be the case in MLM. A female ex-operative, Angie, captures this dilemma, describing her situation as follows:

> I am stressing … and working just to pay bills. I can't relax because one or two bills will not be paid … I work 8:30-5 pm - I leave $1^1/_2$ earlier; 3-4 hours on the road. And I am grumpy and tired when I get home. Saturday is when you try to get all your housework done…. It is an unending cycle of busy-ness. At the end of the day, you have a paycheque at the end of the month, you pay your bills, you can plan your vacation for the family …

For Angie and others like her who reject MLM, working in the formal sector is certainly stressful, labourious and compromising of their liberty and their ability to manage their work-life existence. However, the security of regular (albeit inequitable) paycheques

makes their formal sector work worthwhile and their preferred source of subsistence income.

Sectional Summary: As discussed above, the concept of precarious employment highlights the continuum of precariousness across a variety of work contexts (Vosko 2010, 2006; Ross 2008). This is because the fundamental objective of capital in the pursuit of profit is at odds with the needs and well-being of workers, whose dependence on income from paid work creates a power imbalance. Therefore, while the structure of MLM work differs from the formal sector in terms of work processes, remuneration profile, employer-employee relations, organizational structure, and allied policies, in relevant ways they are fundamentally similar. Specifically, both sectors:

- operate within the overarching umbrella of the capitalist system and as such, are subject to its principles and processes.
- involve the use of embodied abilities to provide, produce or add value to products and services.
- foster and rely on workers' need to subsist and expectation to thrive via their participation in the system.

The signpost principles of equality and liberty as rhetorically interpreted, affirm MLM as fair and credible work and, thus, it continues to attract new individuals disenfranchised (through unemployment or under employment) or disenchanted (through insecurity) with the capitalist system. Notwithstanding its alternative status, MLM nonetheless advances the capitalist enterprise. Thus, irrespective of MLM's persuasive rhetoric, the source of profit remains the extraction of surplus from embodied

labour subordinated as it were, to affiliate MMOs, who double the exploitation with the transfer of risks and overheads to operatives.

It is clear therefore, that MLM is deeply embedded in the capitalist enterprise. Lamenting the injustice of the capitalist system, but jettisoning any ability and opportunity to fight back alongside fellow exploited workers, labourers within MLM (as operatives) align with Capital (in the form of MMOs) by employing the tools of exploitation for personal gain, which furthers their own exploitation as well as that of others. Thus, while the context of work differs (MLM work vs. formal sector work), there is commonality in the lack of ownership of capital, which leads to the necessity to work to subsist. This then gives rise to the perpetual subordination of labourers to Capital. As discussed earlier, even though the nature of subordination under MLM is different from that experienced in the formal sector, ultimately the outcome remains the same because, as mentioned above, whoever controls capital in the end accumulates more capital.

MLM demonstrates how exploitation under capitalism has become more diverse than what either Marx or Braverman argued. Evolving beyond their original analyses, it has taken another shape as a new(er) form of exploitation not based strictly on the direct or actual sale of labour power by a worker to a capitalist. It has taken the form wherein the production and accumulation of surplus value is different and opaque because there is no formal employment relationship or employment contract. Yet, given the value differential between earnings and actual production in MLM, *"*surplus" value is indeed appropriated and this, without conflict.

Essentially, since precarity resulting from exploitative employment practices is a collective condition of workers existing in both the formal and informal work sectors, effective resolution requires reorganizing the system of work, starting with equitable redistribution of collective resources (Herrmann 2006; Standing 1999; Sennett 1998). Indeed, in both the past and present, workers' precarity often arises from strategies adopted by employers that attempt to transfer profit-compromising risks to workers. This is clearly evident in MLM's structure. While the various disciplinary strategies of the formal sector, which include the culture of flexibility and job insecurity are mediated by government oversight, regulation of the MLM sector is minimal. Hence, a situation of double or even triple jeopardy exists for MLM workers and this is especially so for new immigrants. The MLM system creates the illusion of choice, liberty, and reciprocal interdependencies absent in the competitiveness of the formal sector. This, however, constrains workers' consciousness of material inequities and the potential for resistance. Thus, with no visible exploiter,[61] in-fighting occurs within the labouring class, specifically through the labour-upline versus the labour-downline relationships, which is similar to the competitiveness operant in the new economy described respectively by Ross (2008) and Theodore & Peck (1998). The MLM ideology obtains workers' buy-in to their own exploitation through the skilful promotion of materialist individualism. Operatives, including new immigrants, continue to align with its superficial coherence and seeming viability.

3.4 DISCUSSION AND CONCLUSION

In the capitalist economy, ownership of capital in whatever form is of paramount importance and initiates exploitative practices aimed at generating more capital. In

MLM, exploitation is related primarily to time and location within the hierarchy of operatives. It resides in the knowledge of how to succeed through recruiting and mentoring. The transfer of that knowledge becomes a form of capital investment in teaching others through the mentoring program, which gives the “investor” ownership rights to downlines’ profits. This mentorship is in many ways like targeted training given to workers in the formal economy, which facilitates and enhances their production of surpluses that can be appropriated. Success in MLM occurs in two stages, which could be termed ‘process success’ and ‘financial success’. An effective mastery of process success, the ability to acquire an active and dedicated team of downlines (unpaid workers) and teach them to work (sell and recruit) produces profit, which may eventually lead to financial success. However, this is not guaranteed.

The MLM work structure is thus based on a system of rigid but inverted reciprocity, which informs the hierarchy that allows for a relationship of exploitation: as downlines assist uplines, their own downlines will also assist them. Those who do not recruit and sell break the linkages. This prompts deterrence by shaming and labelling such participants as irresponsible, lazy, and unambitious. Since attrition does not sustain the system, the aim of labelling is not to compel them to leave; instead, it is to condition them to become accepting and active.

The system is based on the two-pronged democratic ideals of liberty and equality that support the acquisition process through self-interest and freedom of association. MLM thrives on the established value system of consumerism and a lifestyle of opulence as a wholesome, sustainable, and achievable pursuit within a community of like-minded individuals. This value is continuously maintained through displays of

wealth, testimonials, awards and celebrations of successes and milestones, and acquisitions of titles, all as prestations guaranteeing attainment. Compliance is furthered through prestations that define and measure commitment, including regular attendance of MLM events. At such events, through impression management, senior uplines can manipulate the thinking of operatives to preserve their faith in the system and lower inactivity and attrition.

Like the skipper in Barth's herring expedition, mentors convert their lack of formal power over their downline business entrepreneurs into real influence through verbal and nonverbal prestations that imply possession of some unique knowledge that is key to attaining the financial success they covet and pursue. In practice and like the skipper, to keep their mentee downlines motivated and active, mentors maintain a specific 'success demeanour' that signals the attainment of success through MLM. Through impression management, a subtle switch occurs in that the prestations themselves become the goal for continuity rather than material evidence of such prestations. Nonetheless, recruits eschew their liberty to walk away because of what they hope to eventually achieve through the relationship. As Tocqueville noted, they inadvertently compromise their cherished liberty and, despite unrealized expectations, remain under the mentorship of the upline, whereby they continue to support and sustain their own exploitation.

Similarly, just as MLM obtains willing cooperation from operatives despite unrealized dreams, new immigrants willingly acquiesce to disappointment, specifically the non-realization of their aspirations, and commit to settling for less than expected with the hope that the future will be better. Both as new immigrants to Canada and MLM

operatives, study participants continue to believe that their expected outcomes are intact and remain on track. What is it that inspires them - both as MLM operatives and immigrants whose dreams of prosperity remain unrealized - to choose and continue in MLM? Indeed, why did they migrate and remain in Canada and not to other possible locations such as the United States where, perhaps, they may find it easier to attain the wealth they seek in MLM? These questions are addressed in the next chapter.

NOTES

[1] There was spill-over parking away from the venue, which would be quite unpleasant in that weather.
[2] The idling of one of the vehicles led to the speculation that the leader was probably seated within. They, however, could not explain why he would choose to sit out in the car despite the weather, instead of more comfortably inside.
[3] In 2017
[4] I learned that several other long-distance attendees hired coach buses or carpooled to the conference. The event was considered important, momentous, and not to be missed.
[5] He started the group. I refer to him and others like him as the **Alpha** later in the chapter. As the initiator, he is the operative closest to the allied MMO.
[6] The use of hyperboles is common at these events.
[7] My informant and the group of MLM friends and colleagues were similarly effusive.
[8] Although they obligingly told their stories and shared some of their (positive) experiences to assure me that I made the right decision to attend, I could not share my research interest with them. Also, although I cannot share their more specific stories, discussions with them and such similar impromptu discussions at events attended are invaluable to my understanding of MLM and issues surrounding it.
[9] This was a common refrain with operatives.
[10] Although they did not say so, perhaps they expected us to meet at future conferences. It could also be due to an unspoken (ethical?) code among operatives not to encroach on each others' prospects. Thus, since I was "obviously" already being prospected by someone else, my contact information was not useful to them business-wise. However, being a new (potential) addition to the team, they willingly encouraged me without inconveniencing themselves or expending any resources. They also affirmed themselves in the process (Gabbay and Leenders 2003).
[11] Operatives tend to be reticent and defensive with non-members that are not in their recruiting purview.
[12] Having attended many conferences and events, some activities always seem to be on the agenda. This is expected since a main objective of these conferences and events is to boost morale to increase involvement in the system.
[13] It seemed to be routine for attendees' as their responses were immediate. To me, it was novel, unexpected, and startling the first time.
[14] While his testimonial is typical of leaders and speakers at events, the two elements are unique to this leader.
[15] This is unusual as displaying wealth attracts new recruits and energizes existing operatives. His lengthy explanation advocated moderation, which in MLM could be counterproductive.
[16] Again, this was odd. In principle, it would reduce the number of people they are able to invite to the regular recruiting meetings. His explanation seemed to advise using a combination of both.
[17] The education would be about MLM principles.
[18] This is because he has reached the ultimate level aspired to in MLM where he continues to make money without having to work again because of residual income from his "previous efforts" i.e. recruits.

[19] I could not verify the level of education of the fifth leader.
[20] This participant did not attend this event because of his/her schedule but contacted the upline who gave me access as her guest.
[21] While it is one-time entry fee for many MMOs, some like Arbonne and Amway have annual registration renewal fees. A participant mentioned one that requires monthly fees, but I did not pursue that since the participant left that organization for others before eventually quitting MLM.
[22] This is only at the beginning. Subsequent products and services are sometimes above competitive market price according to some outsiders and ex-operatives. Operatives attribute the differences in price to superior quality.
[23] Speaker at an MLM award event in 2017.
[24] These may be weekly, fortnightly, monthly, or even two to three times a week depending on the MLM organization. The conferences are quarterly, annually, or biannually. Though these are not compulsory, attendance is indicative of commitment. Those higher up the hierarchy attend more events and conferences than those in the lower rung, especially as they are sometimes sponsored by the allied MMOs as incentives or performance bonuses. The fear of missing-out encourages attendance.
[25] As shall be seen below, this is violated through the mentorship program.
[26] A feat she achieved in six months. She however suffered some setbacks that have delayed her progress. She has been in MLM 3 years.
[27] Used either as one phrase or split in two.
[28] Or “stuck in a dead-end job”.
[29] Led by MMOs and their associations such as the DSA, the MLM sector is big on highlighting their philanthropic achievements. It lends legitimacy to the sector.
[30] Other phrases include: “toss that stinking job” and “fire your boss”. They re-energize operates and motivate new registrations.
[31] It is merely a perception because they do not materially reject it –they maintain engagement in both sectors.
[32] She meets Statistics Canada time-based criterion for established immigrant having landed over two decades.
[33]Many put in more hours – full-time hours.
[34]Individuals set target based on their unique circumstances influenced by the strength of their needs and ambition.
[35] The regret relates to the social – i.e. the comradery and friendships she experienced there (Bhattacharya and Mehta 2001). This was why she resisted pressure from her family to quit. She eventually left MLM only because she could no longer justify the lack of equitable income that continued to attend her active participation therein.
[36] A key advice given at events is to cut-off distractions and devote more time to their businesses. Some did just that.
[37] Operatives can earn income in three ways: (1) selling products with a retail mark-up as profit; (2) earning personal sales bonuses based on their volume output and (3) “growth incentives and bonuses for building a network of others who also sell products” (Amway Answers: www.amwayglobal.com).
[38]Speaker at a recruiting-information event
[39]Two leaders I interviewed innovated a recruitment practice whereby they inform their mentees about being discriminatory about who they recruit and hence they vet potential recruits to gauge their fit. The so-called vetting processes uniquely create the impression that the mentees are special, having been *accepted* when some (unknown) others have failed to meet the “cut”.
[40] https://www.pamperedchef.com/be-a-consultant
[41] As income continuously funnelled up to an upline from downlines, the larger the number of active attributable downlines, the higher and regular the residual income.
[42] These are uplines higher up the hierarchy.
[43] Her position in a government office has remained contractual despite having worked there some years. She hopes it would become permanent because it is in the category of “good jobs.
[44]There is a standard percentage for commission purely determined by MMOs.
[45]Some were oddly flippant or brushed it aside I took these as cues not to probe further.
[46] Without a “balanced ledger” at the minimum, the benefit of claiming these in their business tax returns is lost.

[47] On his website (https://pyramidschemealert.org/) and through books, seminars and social media, Robert Fitzpatrick and his colleagues have aimed to educate and expose the MLM business enterprise as untenable and inauthentic citing the logic of in-built market saturation as a key reason. This does not seem to have permeated the effective rhetorical machines of the MLM system. Indeed, the notion of market saturation is alien to both previous or current operatives as none blamed their 'delayed' or lack of success on anything or anyone but themselves. The rhetoric at events and from the uplines effectively leaves no room for anything but self-blame. Any other reason becomes mere excuses for *losers*.
[48] Drake
[49]I also experienced this at MLM events and interestingly in conversations with some study participants.
[50] Like any new employment acceptance process, the registration process requires new recruits to provide key details about themselves, including their social insurance numbers. They will also need to pay the mandatory "marginal fee" or purchase a "starter kit".
[51]Not real name
[52] Lamborghini and Ferrari are favourite cars shown in testimonials.
[53] Testimonials and videos of success shown at general events usually targeted at existing operatives are different. These are usually performance-related, such as "conferences of millionaires", awards earned by hard-working operatives who had quick business growth or earned free vacations.
[54] Up to four on one occasion.
[55] Operatives who do not regularly bring in 'guests' are not considered hardworking nor following the system.
[56]Interestingly, preferences are for couples as they seem to represent family, commitment, and love. Another favourite are "successful" young adults who, based on their convictions, recruit their parents and relatives into MLM. A participant drew her parents, aunties et al. into MLM.
[57] The key message for the audience here is that testimonial subjects were able to achieve their immense wealth because compared to formal sector employment that limits employees to their 'pay-cheques' value irrespective of their hard work, MLM does not limit achievable income. Instead, it *equitably* compensates individuals for their hard work. So, they earn more as they work harder. The proffered choice is clear and leaves the onus on individuals in the audience: would they seek to improve their lifestyle by aligning with MLM or, reject MLM and remain as the mediocre worker who continues to struggle with income uncertainty. It is noteworthy that the average operative does not sign into MLM primarily focused on amassing testimonial subjects' level of wealth. However, the *evidence* of such income achievements by so-called mediocre individuals lends credence that their own more modest income aspirations are achievable. This is the goal.
[58] The possibility of business downturns does not feature at points of recruitment. This becomes part of the explanatory defence that downturns are normal and transient.
[59] This varies by group. One group has meetings Tuesdays through Saturdays. Meetings are said to be optional and individuals are encouraged to choose to attend as success is associated with regular attendance.
[60] Although operatives are encouraged to bring their prospects any time, specific sessions (depending on the group) are set aside weekly for targeted recruiting. On occasions, without recruiting sessions, the lone prospect may seat with his/her hosts depending on the agenda and the operative's ranking. For example, I was allowed to sit-in on training for operatives attended by my host. There was, of course, the potential risk of my turning "native" due to the persuasiveness of some of the events.
[61]This is because MMOs remain in the shadows, seemingly benevolently doling out commission cheques at intervals.

CHAPTER 4

RELOCATION / MIGRATION AND SETTLEMENT

The primary data collection strategy for the study involved qualitative interviews. The interviews involved mostly new immigrants (86%) and a few non-immigrants (14%), who were selected based on their relationships with MLM as either proponents or critics (see Chapter One). This chapter focuses on the interview participants and details their motivations for accepting or rejecting MLM. Accordingly, the chapter is divided into four sections. Section one reviews the characteristics and backgrounds of participants, followed by a discussion of the reasons immigrant participants chose Canada as destination. Continuing, Section two covers their experiences on arrival, which includes their integration into the workforce, the support systems they accessed and their overall feelings about their move. Section three focuses on their introduction and recruitment into MLM, along with their reasons for accepting or rejecting MLM. This section concludes with participants' self-reflections on their respective relationship with MLM. Finally, Section four summarizes and concludes the chapter.

In line with study objectives, the chapter centres mainly on new immigrants and their pre- and post-migration experiences in relation to MLM. However, relevant comparisons with the experiences of the few non-immigrant participants, all of whom are MLM proponents, are made as necessary.

4.1 OVERVIEW OF PARTICIPANTS' BACKGROUNDS

Participants' narrations of their respective stories before and after contact with MLM converge in their broad elements, even as they vary on particular details. For example, the labour market experiences of new immigrants are broadly similar regardless of source country. As well, their precarious work experiences overlap with those of Canadian-born participants in some ways. Again, immigrants as a group relative to native Canadians as a group find common grounds in their acceptance of MLM as the potential way to resolve their diverse precarious situations. Likewise, and irrespective of countries of origin, the stories of new immigrant participants prior to and after arrival in Canada are also broadly similar varying on fine individual-specific details. Hence, an important element in analysing the qualitative interview data among other things was identifying the ways in which the distinct contextual elements of their individual experiences shape their choices and actions within a shared broader similarity. The focus in this section is first on participants' general demographic characteristics. Shifting to new immigrant participants, it then outlines the reasons they moved to Canada and their expectations in relation to the move. Knowledge of participants' backgrounds and experiences in some ways helped to advance an understanding of their choices and actions relative to MLM.

4.1.1 Demographic Backgrounds

The majority (86%) of the 28 participants were foreign-born 'new immigrants', which as described in Chapter One refers to first generation immigrants, irrespective of their date of arrival in Canada. Four participants (14%) were Canadian-born who, with one exception, had never been outside Canada. As previously stated, Canadian-born participants were not part of the planned sample for the study. Their emergence in the

sample was unplanned in that their non-immigrant status only became known during the interview process. Nevertheless, all of them being MLM operatives, the interviews were retained for comparative purposes.

New immigrants moved cross-continentally to Canada from South Asia (Bangladesh), Southeast Asia (Malaysia, Philippines), East Asia (China), the Caribbean (Dominica, Guyana, Jamaica), the Middle East/Western Asia (Iran, 1raq), West and East Africa (Nigeria, Kenya), and Eastern Europe. At time of the interviews, participants had been in Canada for an average of 16 years[1]. All are first[2] generation immigrants who arrived in Canada through the economic immigrant, family reunification, refugee, and student visa programs. The majority claimed to have initiated the idea to immigrate to Canada with their families. A few of the participants (3; 11%) were brought by their relatives as minors (17 years and under). Though their parents or guardians made the decision to move, being foreign-born, they are categorized as first-generation immigrants for the purpose of this study.

Study participants were mostly female (75%). This seems to be characteristic of the industry, as the Direct Sellers Association's (DSA) membership profile also shows the predominance of women (82%). In all but one MLM event attended, the gender distribution was similar. Participation in that group's event was limited to the one occasion so it could not be ascertained whether the observed exception is typical for the specific group, especially as observations of the events of two other MLM groups with the same product and service categories, and MMO affiliation, presented the typical female majority. The preponderance of women in MLM may be due to the recruiting habits of operatives, which typically target couples with children, as well as single

mothers, both due to their perceived higher commitment to their families and their security. A related point is that while females remain in the majority in most MLM groups attended, the gender distribution in each one seems to be related in some sense to the respective group's products and services. For example, MLMs organized around financial products and services featured higher male presence[3] than those involved in health and beauty products. In addition, those involved in food and beverages featured more males than those that focused on beauty products[4]. This difference was most apparent at an elegant event organized by an MLM group focused on skincare products. Not only was the audience overwhelmingly female, as the event progressed it appeared that the comparatively few males were mostly relatives or partners[5] of some of the female operatives, or were stereotypically managing the equipment. Nevertheless, in the absence of official data of registered members from the respective MMOs, the observation here is that females may seem more inclined towards skincare products than males[6]. The fact that MLM promoters target its flexibility - particularly to females (see Chapter 3) - as a way to balance home and work makes it a subject for further investigation in light of issues of gender parity in earnings, hiring, career opportunities, and unpaid work (Creese 2014). The overrepresentation of females in MLM, which aligns with said overrepresentation of females in precarious employment (see Chapter 2), could be taken as further confirmation that immigrants take to MLM because of difficulty in finding equitable jobs.

Despite the foregoing, since this inference is based in part on observations at events, the unlikely but alternate explanation could be made that male operatives are either less active, less inclined or able to attend MLM events compared to their female

counterparts. Nevertheless, a review of research literature and study data indicates that irrespective of product or service type. successful outcome depends on meeting the sales targets set by the MMOs, in relation to the respective products and services. For example, sales targets for food and skincare products tend to be higher because they invite small, non-contractual repeat consumer expenditures and are therefore potentially "easier" to sell. Financial products such as term insurance for example, have lower targets because they require contractual arrangements with consumer, and thus may be potentially less easy sales. Although the commission pay-outs reflect product and service characteristics, the personal resources and efforts required to continuously achieve targets balances out for the product and services. Ultimately therefore, as discussed in Chapter 3, the financial independence promised by MLM remains a pipe dream for participants.

Most participants (80%) are married. Over two-thirds of them (71%) have at least one child, though most (80%) have up to three, with the cluster being around one-to-two children (47%). With the exception of three individuals who were over 54 years of age, participants' ages were between 25 and 54 years, with the average and median ages being 40 years and 38 years respectively. If the three participants aged 55-69 are included, the median and average ages become 42 years. Participants are thus within the median and average ages of 38 years to 42 years, which fall within Statistics Canada's core working age. Considering that, overall, the sample consisted mostly of those who are, or were in MLM (86%), it seems that MLM also targets those in the core working age as well. This inference acquires increased significance when related to assertions by three participants who, being in leadership positions in their respective

MLM groups, moderate the recruiting strategies of their downlines even as they themselves are moderated by their own uplines. Their assertions are therefore meaningful and can, at the very least, be taken as strategic policy statements for their MLM groups. For their groups, they claimed to target those between 25-55 years who have attained some level of financial successes in their formal sector employment and are either married (preferably with children) or in serious relationships. The rationale, according to the following except from one participant, is that such individuals are likely to have more financial viability, energy, and motivation to apply themselves to the pursuit of wealth and its accoutrements in MLM. Pointedly, Monica who joined MLM after 13 years in Canada and has achieved mid-level leader status declared:

> The 5 pointers to grow your business: I target families, married with kids … between 25-55 years, who have a mortgage, a job, and a track record of success. This people understand the basics of success … I avoid people who do not have a job, people who are broke because you can't borrow money from people, … and people who have no track record of success have credibility issues.

The focus on some level of financial viability is a significant strategy that facilitates the success of the MLM model. Typically, as discussed in Chapter 3, the model requires its self-styled business entrepreneurs (i.e. operatives) to apply their own resources in its service without the benefit of wages. To do so, operatives (particularly new recruits) require viable sources of income outside MLM to subsist and fund their perpetual entrepreneurial 'business-growing' activities, which includes attending MLM events. As seen from the previous chapter, the larger proportion of operatives run their entrepreneurial businesses with negative balanced ledgers because they are unable to secure any return on their investment or generate substantial income earnings.

Therefore, targeting those in their prime productive years and who are married or in stable relationships is strategic in three ways. First, it reduces the effectiveness of pressures to quit by concerned loved ones and friends who, as exasperated recruiting targets, have no illusions about MLM. A 50-year-old former operative, Martha, confessed that with no sign of financial improvement but only losses from inventory purchases and travel, the initial support from her relatives and friends dwindled and they became hostile. Nonetheless, she continued until her husband, who came into the business alongside her, also became tired and left. Although she continued for a while, she eventually gave up based on the obvious fact that their income and time inputs outweighed the income generated. She was in MLM for well over a decade before leaving for formal sector work.

Second, and as discussed above, those within this demographic group are seen to have higher ambition, productivity and, once leveraged, more drive to succeed. Interestingly, this also parallels operatives' activities in MLM, though at the onset, they tend to devote resources and time to grow their businesses. However, this gradually peters off the longer they remain in MLM, with intermittent resurgence in activity usually after an event or when an incentive is offered by a vendor or the MMO in form of performance prizes. I witnessed two such vendor offers and was invited to participate in a vendor's training session about this. Participants tend to reduce and/or moderate their activities due to one or a combination of reasons, which include: (i) the recognition that inputs continuously exceed outcomes in terms of income received and the number of active recruits retained; (ii) waning support and increased opposition from recruits; and (iii) increased participation in their formal sector jobs. The loss of (active) recruits is the

most dispiriting and debilitating of all the reasons that participants gave for moderating their participation, ultimately leading to attrition. Drake's story is a case in point. Not for want of efforts, Drake lost ten active recruits, which was the equivalent of two years of business-growing activities. Discouraged and confused, Drake became *less-active*[7] for a while but regained the zeal to actively continue after receiving some motivation from mentors[8]. At the time of the interview, armed with new strategies for recruitment and retention, Drake had returned fully to MLM with renewed energy and zeal in stark similarity with the anonymous operative encountered at the event discussed in Chapter Three.

Third, recruiters target those in their prime productive years who are married because they are considered more likely to involve their partners. This, in effect, delivers two recruits for the price of one. Although the downside of this is that if one partner leaves, the other is eventually likely to also do so. Nonetheless, recruiting couples is declared the best practice in recruiting, as it also helps consolidate recruiters' hold on recruits. As a young recruit in a serious relationship, Drake was counselled by a higher ranking upline to make a long-term commitment to the partner and then invite that partner to register as an operative. The rationale is that the engagement evidence growth and personal development, which reveals a more focused and responsible person intent on success. Nevertheless, the action consolidated MLM's hold on Drake and ensured that his commitment would not be compromised by a sceptical partner. This operative was also told that the partner's potential declining to join MLM would evidence that they are at cross-purposes. The now-engaged operative and the partner were both members of that MLM group at time of interview. In general, operatives

whose partners fully align with their MLM activities tend to devote more prime resources and active time to MLM. For example, operatives claimed that their abilities to always be in 'recruiting mode', whereby they seek opportunities to make the MLM recruiting pitch in all their interactions and transactions within and outside their networks, is made easier with partners who align with their MLM goals even when such partners are not actively involved in regular MLM events (such as seminars, product demonstrations etcetera). Again, as mentioned in Chapter 3, the fact that recorded testimonials shown at events frequently favour couples (probably as part of this strategy) project the idea that alignment with MLM leads to social and economic stability for subjects. However, not all couples engage in MLM together. Some couples spread their risk options by one engaging actively in MLM while the other focuses more on formal sector work to keep the family afloat and fund their MLM business.

All but one Canadian-born participant has university education. Before arrival in Canada, over two-thirds of immigrant participants had additional graduate and postgraduate degrees and certificates and professional qualifications mainly in accounting, finance, marketing, business (MBA), engineering, science, human resources, and healthcare. To improve their integration after arrival, many also obtained professional and graduate certifications, mostly in finance and accounting, healthcare, education, administration, and human resources. With one exception, immigrant participants who came in as adults (88%) claimed that prior to moving to Canada, they were employed in well-paid jobs, including occupying management or senior positions in international organizations, universities and colleges, financial institutions, government, and private corporations. At the time of interview, they were employed in

the formal sector variously as accountant, administrative assistant, analysts, consultants, hairdresser, cosmetics and make-up artists, day-care centre worker, customer service and sales personnel, project manager, farmer, cleaner, social worker, driver, high school and elementary teacher, and a university professor.

As indicated in Chapter One, all but four participants are or were MLM operatives. None, however, was engaged solely in MLM work. Most are or were simultaneously engaged in MLM alongside their formal sector jobs. Although five participants claimed to be full-time MLM operatives, further discussions revealed that in varying ways, they have other sources of income that augment their MLM commission earnings. For instance, while two of them performed occasional consultancy services unrelated to MLM, two others who could be said to be *truly* engaged in MLM full-time were in leadership positions that provided them with other MLM sources of earnings not available to regular operatives. These include honorariums and fees for presentations and lectures at events, as well as income from sales of motivational tapes and books[9] that they pressure downline operatives to buy. One of these two boasted about having resigned from the bank to join MLM fulltime because of a strong desire for financial independence. The irony is that this declaration earns this leader the admiration and respect of downlines who have no access to the extra income earning opportunities available to the leader. Yet to them, the leader credibly exemplifies that MLM works, which it does, though primarily for the few at the top of the hierarchy (Bhattacharya and Mehta 2001). The last[10] of the five participants who claimed MLM as full-time employment manages the family affairs, including school runs and caring for their children. MLM's flexibility permits him to perform family chores and to care for the

children instead of hiring a baby-sitter[11]. This enables the wife, who earns higher regular income with benefits, to work longer schedules in the formal sector.

Overall, participants were articulate, energetic individuals whose primary collective desire is to boost their income. For most, this consisted of getting better employment or retaining their current jobs. All would like to afford regular vacations, good housing, and all the trappings of modern living. Although their pathways differ in terms of employment, for all, financial success resides in Canada. While the few non-immigrants have no wish to leave Canada to pursue wealth elsewhere, for immigrant participants, coming to Canada was the first hurdle that they successfully crossed to attain wealth.

4.2 PRE-ARRIVAL APPLICATION PROCESS AND EXPECTATIONS

As indicated above, three immigrant participants obtained their permanent resident visas as minors, accompanying their migrating parents or guardians to Canada or joining them later through the family unification programs. The majority, however, were at the helm of the decision and activities necessary to move to Canada. They achieved their objective through the government's rigorous points system program now referred to as the Federal Skilled Workers program (FSWP). The program[12] assesses and scores applicants' eligibility to apply for permanent residency in Canada on a 100-point grid based on the key six factors[13] of age (12-points), education (25-points), work experience (15-points), valid job offer (10-points), language skills (28-points) and adaptability[14] (10-points). The criteria within each of the six factors are specific and stringent. For example, on the factor of age, those between 18 and 35 years score the maximum twelve points. After 35 years of age, the score steadily decreases up to the

cut-off age-point of 46 years, which scores one point. An age of 47 years or greater is given a score of zero. A minimum overall score of 67% is required to qualify for placement in the pool of candidates for consideration for permanent residency. The score of 67% is the measure that qualifies the applicant to move forward as a candidate for consideration. Along with similarly qualified candidates, the candidate is further assessed with what is referred to as the Comprehensive Ranking System (CRS) tool, which uses the profiled factors, along with additional criteria such as candidates' available income, to influence the final score and the decision regarding the application. The highest scoring candidates receive invitations to apply for resident visas within a limited period. The process also entails oral interviews with immigration personnel, which among other things serve to ascertain candidates' profiles, settlement plans, resources, overall preparedness, and adaptability. According to participants, invitations to attend oral interviews signal that they have successfully passed the process and that their applications are approved. All they need do afterwards is await the documents that will bring their quest to fruition. Referred to as the economic immigrant program, the process takes between two and four years from initial assessment to receipt of landing documents. For most however, the period was two to three years. Participants reiterated that accessing information and preparing the necessary documentation required focus and tenacity, which made a few of them resort to legal assistance.

On receipt of the landing documents, participants claimed to have been elated with feelings of accomplishment as they envisioned new beginnings and lives awash with prosperity and privileges. They had been thankful for the opportunity to start anew in the economically advanced environment that they considered Canada to be. Some

even claimed to have been the recipients of congratulatory messages and the targets of envy by some in their communities who assumed that immigrating to Canada guaranteed enhanced lifestyles and numerous privileges.

4.2.1 Reasons for Moving to Canada

The search for opportunities for a better life is the main reason participants gave for deciding to leave their countries of origin. Prior to moving, most were engaged in employment that provided comfortable lifestyles by the standards in their respective countries. Some also owned property, which they sold or left with caretakers when they moved. Nevertheless, they felt compelled to move to countries that were more stable politically and economically for the future welfare of their families. This relates to issues of safety as well as economic and social well-being. In relation to safety, they worried that their family members may be caught up in the political and economic instability that threaten their respective home countries. The economic motivation to move is common to all participants, regardless of their respective successes in their countries of origin. A female participant's claimed, "I love stability and always wanted stability…", echoing the fears of others that their families were vulnerable to political and economic instabilities in their respective home countries. For them, moving to a stable country like Canada is economically and socially prudent as it will enhance their economic and social profiles beyond what they could achieve in their countries of origin. It does appear therefore that for these participants, the motivation to move to Canada is occasioned not as much by the inability to make ends meet as by concerns for economic and social security. A female operative, Veronica, captured this sentiment, stating:

> My friends came to Canada and they were established there, you can tell the difference when they came to visit. I wanted that for my family too …I felt that the political situation in my country limits my children's future.

Participants chose Canada as their most[15] viable destination because they perceived it as: (i) peaceful, stable and tolerant; (ii) economically advanced, similar to other first world countries like the USA they had also considered; (ii) having visa entry policies and citizenship routes that are easier and more straightforward than other western countries; and (iv) having good healthcare and social services. Angie's statement below summarized participants' collective reason for the choice of Canada:

> I thought it would be good for the kids. Better long term to have them grow up in a 1st world country. I liked Canada. It has good points. The process of migration was easier. I didn't want to go to UK or Australia. … Canada has child tax benefit, safety net, EI – I have not yet used it, but it is good to know it's there. Good social policy for children. Good government; social freedom and very polite (Female Practitioner).

On receipt of their landing documents, part of preparing to relocate involved resigning from their jobs, organizing their local affairs, as well as renewing and establishing connections in Canada through their local networks. A few obtained letters of introduction to relevant ethnic, religious, and other social linkages in Canada. Those who already had connections shared their itineraries and arranged for pick-ups, accommodations, and sundry affairs. For one participant, the relocation preparations involved proactively taking a course in oral communication. Some received notifications from their contacts to be prepared for some challenges with integrating into the workforce. The recipients however minimized the warnings because they assumed that challenges will naturally occur because of differences in culture. Overall, participants claimed they were excited and grateful for the opportunity to relocate and start anew.

4.3 POST-MIGRATION EXPERIENCES: ARRIVAL AND JOB SEARCH

This section focuses on participants' perception of their new homeland and the relevant activities undertaken to settle and integrate socially and economically on arrival. Particular focus is placed on their labour market experiences. The section also details their level of satisfaction with their respective employment situations.

4.3.1 Arrival Experiences and Adaptation

On arrival in Canada, participants received assistance and guidance from relatives, friends, and various connections, most of which were facilitated by people who were from "back home", which included ethnic and religious organizations and groups, as well as connections they developed after their arrival. Their various connections assisted with issues of accommodation by either providing the new arrivals with temporary lodgings ranging from one week to six months, and/or assisting with the search for accommodations. Participants expressed gratitude for these initial supports, which were helpful though temporary. Underlying all assistance however, they claimed to have sensed the implicit push to become self-reliant and resourceful that increasingly acquired practical urgency as people went about their own affairs and left the new arrivals on their own. The typical sentiment shortly after arrival is echoed by Joyce, who had landed almost 10 years earlier:

> … it's not what you expected… I got help from my community, my church and friends but you have to get a job and get on with your life.

Similarly, Shane, who had landed over 20 years ago, claimed, "I realized I'm on my own … I have to stand on my own feet". Participants expressed common feelings of isolation, which may be attributed to the unexpected settlement challenges they had. Variously, they experienced challenges with accommodations, navigating their new

environment, enrolling their children in school, etcetera. To a large degree, these were eventually resolved. When asked what other initial support they needed, none could articulate what they felt was substantially lacking, beyond the underlying sense of unease and loneliness borne of insecurity and disappointment that their realities did not align with their high expectations. Nonetheless, they remained glad about coming to Canada.

Typically, the ‘helpers’ stayed around long enough to show the new arrivals the basic ways to get around, some of which included getting health cards and driver licenses, enrolling children in school, shopping for necessities, and conducting job searches. Some received gifts of warm clothing and introduction to homophilous and religious associations. However, the availability and access to initial assistance eventually petered out[16] and new immigrants cultivated new relationships and linkages of their own, which were sometimes offshoots of initial contacts. Supports from ethnic and religious groups were said to be more enduring, and some relied on them especially for shelter. This is probably because participants maintained more long-term membership ties with such groups and, through them, developed access to other networks and supports. It is noteworthy that those without friends or relatives to assist them depended more on transnational religious and ethnic affiliations, through which they developed local connections that provided needed supports.

Adapting to Canadian life was challenging for new arrivals. They claimed that the clear challenge from the onset was to blend in and not stand out. Some claimed they felt some sense of condescension directed at them through various interactions with both the public and those within their growing networks. The perception of

condescension was said to be more apparent in their job searches and places of employment, where they felt people talked down or disrespected them at times. These experiences spawned the strong desire to learn and adopt what they considered to be a 'Canadian' thinking and conduct, which seemed to be a concept subjectively based on personal perception and interpretation. Nonetheless, the oft-repeated source of culture shock is the perception that people are reserved and distant in interactions, which they variously interpreted as the absence of warmth or genuineness and the desire not to "be bothered". Some referred to this as selfishness or as a lack of caring. Others saw it as individuality, or as indication that "people are only interested in themselves" or that "…they want to use you, not that they care about you". Romanticizing their home cultures, some lamented that life and relationships in their home countries were less complicated and friendlier. Even some who arrived with their families and supposedly had the comfort of their supportive presence claimed to have: "… found out here that the culture is different". "They didn't want to help people". The idea of not helping people seemed to stem from isolation, loneliness, and maybe desire for attention that may be the extension of frustrated economic expectations.

Some admitted as much. They claimed that the absence of caring relatives and friends, combined with the strains of getting by in the new environment, put some economic and social stresses on their own families. In the case of a couple of them, this resulted in separation. One of them, a female who relocated ten years earlier, noted: "I was married when I came to Canada but divorced after 3 years". She detailed how while becoming an inadvertent single mother she had to learn to effectively combine earning survival income with her childcare responsibilities in a new environment as an

immigrant. Overall, for immigrant participants, the elation on arriving in their new home was soon diminished and not simply by the culture shock or challenges of adapting to a new environment. What really soured their experiences was realizing that their technical and creative abilities were irrelevant in their new homeland. This theme is the focus of the next section.

4.3.2 The Switch: Job Searches and Disappointments

The biggest challenge that confronted participants, which may have birthed the feelings of isolation and claims regarding the unhelpfulness of others, has to do with obtaining employment with their imported technical and creative skills, and not just their manual abilities. Given that their hopes of settlement and enhanced lifestyles were contingent on income from suitable employment, they were both disappointed and concerned that they could not secure such employment, despite their skill sets. They nonetheless remained hopeful, though their anticipation to eventually access applicable jobs grew dimmer by the realization that they were mostly only able to access low-pay, low-skill employment in factories, retail sales, call centres, or in cleaning or care-giving. They deemed the situation unfair, disparaging and altogether frustrating. They were surprised that despite assurances and encouragement, they continued to find it difficult to secure the types of employment they were seeking. Attendance at government-sponsored workshops aimed at assisting with job searches, resume development and interview preparation did not produce the desired results. While the workshops boosted their confidence and periodically renewed hopes of eventually getting the kind of employment desired, the outcomes remained the same in that most did not secure this result. Although their job search activities sometimes resulted in invitations to job interviews,

the outcomes were typically unproductive. Often, invitations were not for the jobs the participants had applied for, but rather for ones that required more manual inputs and less technical and creative abilities. A case in point is Evett who, arriving in Canada with an MBA and doctoral degree in one of the sciences, finally got a job in an office after two years of working as a door-to-door salesperson:

> I went to a program that helps you to find [a] job…. The program helped me with interview skills. I found a job as customer service rep with the company selling…. I stayed there three years and I got moved from the customer service to marketing department …The environment was satisfying (but) no benefits, no respect from clients … They ask me to train people because they know I used to work in [i.e. job in home country] I was very busy, and I thought I will grow with the company. … I like that I was using my teaching skills to train people … meeting new people … providing good service. The company closed and fired all the employees. I had to start all over again after 10 years.

Typically, the search for employment commenced within the first month of arrival, mainly through state-sponsored workshops and human resource centres. In addition, interview participants scoured job boards and agencies recommended by their social contacts. Although none of their efforts produced the kind of employment they sought, these job search efforts did result in finding jobs that helped augment waning incomes. Moreover, although some participants held out for their jobs of preference longer than others, eventually all settled for jobs they neither wanted nor expected, and at wages that were insufficient either for the needs of their families or for their desired lifestyles. These jobs made little use of their competences and mostly required physical endurance and skills learned on the job or at government-sponsored workshops. In addition, they were typically of low pay and part-time, or even temporary, which in some cases meant a month or less. Nevertheless, while still hoping and searching for desired jobs and better pay, they were happy to earn some income in the interim, as Charity's

and Susan's experiences typify. For her college degree and industry experience, Charity stated:

> I got a survival job at … [retail store] in customer service. Someone was going on vacation. I was also called by a company to do some labelling. It was a black marker to cross out the mistake in the label. At the end of the week, I got $80.

Palpably expressing frustrated expectations, Susan stated:

> How can I put the experience? What I was expecting like moving to Canada to be, it's a total different thing when I came here … Transition into a job in my field to be honest, did not happen; the kids had to go back in grades …; qualifications I came with was of no use to me here - I had to get Canadian qualifications…."

As landed immigrants, lack of Canadian work experience was identified as the key barrier to them accessing the jobs they sought. They were told they could remedy this situation through volunteering, internship, or retraining. Of these, most considered the first two more viable because these would provide 'foot-in-the-door' advantage. Participants, however, found themselves in a quandary because obtaining volunteer or intern positions entailed the same processes as getting regular jobs and such positions were just as difficult to access. In addition, most neither paid wages nor offered transportation costs. Retraining and recertification were often impractical because of cost and time constraints. Hence, they were typically not considered until years after landing. Moreover, these were mainly found in administration, healthcare, and financial services. Some of those that retrained or upgraded their certificates claimed that although they experienced some improvements in employment, the positions they obtained were neither commensurate with their skills nor equivalent with the incomes they had expected to earn.

Overall, participants were unhappy that they could not access the jobs they sought despite clearly having the required qualifications, experience, and language skills. They were generally fluent in at least one of the official languages (mainly English), and did not require English as a Second Language (ESL) classes offered by the provincial government. Thus, language difficulties, which have been identified as contributing to immigrants' employment challenges (Oreopolous 2011, Preston et al. 2011), did not apply to these participants. Further, language difficulties were not exhibited during the interviews, which were all carried out in English. For example, a participant who had worked in an English-speaking international environment for several years in their country of origin, but whose formal education was not in English, strategically took an English communications course prior to moving to Canada to enhance their oral communication. However, this was of no help as the participant had to take a door-to-door canvassing survival job before eventually transitioning to a low-pay office job.

Generally, participants attribute their lack of access to good jobs to be due to something other than their lack of Canadian experience, which in the final analyses they see to be merely an excuse to the discount their skills. They consider the actual reasons to include their being foreign-born, their foreign accents and names, their race and ethnicity, and a general disrespect for immigrants that permeates the inner workings of the formal labour market. They asserted that there is a common perception of immigrants as stupid, inferior, and ignorant, and that immigrants are a source of cheap labour in the Canadian employment system. Their experiences confirmed the stories they had been told by immigrants with longer residency in Canada, though most had

initially considered such stories to be exaggerated. Their initial scepticism stemmed partly from their belief that such experiences could not happen in a country like Canada, especially since they had received invitations to attend interviews for jobs (which they did not get eventually). Hence, they had initially considered the Canadian experience requirement plausible and a mere temporary setback that could be remedied through: (a) volunteering; (b) following the guidance of workers at employment resource centres; (c) setting their sights to lower entry-level jobs within their career fields; (e) applying for numerous jobs; (f) more networking; and (g) simply being patient. They became increasingly dismayed, however, when the supposed temporary setback showed no end in sight and when none of their strategies worked, including changing their foreign-sounding names to western-sounding names. The longer they lived in Canada, they claimed to have come to the realization that their patience and strategies were futile because of what they began to see as discrimination against new immigrants[17] in the Canadian workplace. Interestingly, although they consider said discrimination as unfair, stressful, and a gross impediment to their progress in Canada, there seemed to be resignation and oddly, relief. The relief seems to stem from their realization that their experience is common to other immigrants and is not unique to them. In resignation, they accept it as the inescapable collective plight of new immigrants, which requires individuals to tackle it as best they can. In a matter-of-fact way, Joseph explained the proactive management of the situation as they (i.e. immigrant participants in general) see it:

> Job opportunities for immigrants are limited; you have to go back to school. You find it difficult transitioning into your former occupation, and you have to go to survival jobs and you have to do it to support your family.

Showing a clear mixture of frustration, anger, and strategic resignation, Oliver, who landed over 20 years earlier, declared that learning to manage "the system" is necessary to get ahead of the expectation for Canadian experience:

> We have to get to know the system. …. Doing volunteer work is something that everybody does. You use it to develop a network. To have different Canadian experiences, I have worked in the factory; I've worked as a waiter, hospital…[inaudible] all for the sake of trying to get all these experiences to get a job?

Surprisingly, despite the perceived commonality of being enmeshed in similar cycles of discrimination, resolution is seen to require individuals to strategically advocate and fend for themselves. In other words, the solution resides with individual immigrants who will have to navigate the challenging terrain themselves to achieve economic and social progress. They claimed to be aware of immigrants in their respective circles that had successfully done so, and they believe they themselves could too. A few participants, exemplified by Samson below who landed over eleven years ago, noted that though friends and relatives in Canada had warned him that obtaining a good job would be difficult, living out the reality nonetheless was, and is still frustrating:

> I was told job was hard to get but I did not expect it to be this hard. …I did a COSIT training, … I did a job as a gas station attendant, went into stock business, retail, call centre job … anything to provide for my family.

4.3.3 Responses to Discrimination and Disappointment

Notwithstanding the challenges discussed above, participants retained their sense of accomplishment and welcomed their access to Canada and (eventual) citizenship (for some). Couched in optimism and hope for a better future, they affirm their conviction regarding their decision to move. To them, possibilities remain intact despite uncertainty. Their hopeful outlook overshadows their experiences and discomfort, thus

making their situation bearable. Their sense of accomplishment seemed to reside in their crossing the first hurdle, which entailed acquiring landed status for their families. Overall, all but one[18] participant, including those whose relationships had fractured under the weight of their challenges, believe they made the right decision to move to Canada. As such, they conveyed no regrets. There was a sense of investing in a better future for their dependents, which intensifies their resolve to strive even harder to succeed.

Their notion of ‘making-it’ culminates in successful integration, which is both economic and social. It is primarily economic in terms of having income that goes beyond basic needs for shelter, clothing, and food, to support lifestyles that include regularly eating out, owning quality or expensive cars and clothing and state-of-the-art electronics, undertaking vacations and travel, ensuring good education for their children, engaging in philanthropy, and generosity supporting those ‘back home’. Participants link these markers of success to having regular income from a ‘good job’ or, in the alternative, a successful business in MLM. The social aspect relates directly to having citizenship status (which some already have), which sets up their children (born and yet-to-be-born) for future material comfort, privileges, and prestige in a “first world” country. This makes them feel integrated despite their respective employment situations. It also increases their optimism and sense of personal esteem and confidence, while enhancing their prestige and social capital within their local and international networks. To succeed, participants believe that instead of lamenting and fixating on their challenges, they need to focus on overcoming these challenges through hard work and readiness to engage in and secure economic opportunities that present themselves.

Importantly, they express willingness “to do what it takes” to realize their desired lifestyle. The following points indicate this orientation.

4.3.3a Misery Loves Company

First, as discussed above, participants do not consider their labour market challenges unique to themselves as individuals, but rather see these as manifestations of embedded discrimination in relation to their status as new immigrants. This is apparent in Evett’s statement below:

> I had no illusions. My friends had prepared me that my skills and education would not be recognized … I was ready to do any job and find a way into the system. It did not work that way for me. In the end, nothing I did worked. Nothing will work if you are an immigrant.

They consider their individuated experiences as unavoidable, collective rites-of-passage, and part of the sacrifices that new immigrants must endure. This view of inevitability, which normalizes their labour market experiences as the product of systemic inequality and discrimination, disarms them and creates a palpable sense of powerlessness that makes the situation bearable though disheartening. Individually, participants see themselves in a “sink-or-swim” situation in which they need to stay afloat and swim to join those who, having made-it, now enjoy lives of prosperity and comfort. For them, there is sufficient evidence of those who have “made-it” to give them hope that they too will succeed. For some, they believe that even if they do not succeed themselves, their efforts will pay off for their dependents.

Participants generally see the non-recognition of their credentials, the insistence on Canadian experience (considered a “catch 22”) and the stigmatizing of their foreign accents as examples of the discriminatory practices of employers that impede their access to good jobs. Yet, they consider these as setbacks that they need to overcome

individually. They emphasized also that their strong willingness to strive for success stemmed, in part, from the fact that less qualified individuals who were Canadian born got better jobs and were given priority for managerial positions. They see the need to eschew self-pity and instead, work hard and do whatever is necessary to survive. Interestingly, even while recounting experiences where they (or those in their networks) had applied for jobs for which they were qualified (and perhaps overly so) but were overlooked, or offered much lower positions, they seemed to harbour no antipathy towards Canada. For these participants, that is just the way things are and they felt they should simply bide their time for better opportunities to come along. A case in point is that of Shirley whose professional recertification and training shortly after arrival in 2009 got her a respectable contract job. Her husband, however, has not been as "lucky", as she described in the statement below. They live in different cities and see themselves only on weekends because she could not afford to leave her job and he could not find one within commuting distance. Although she is not quite satisfied, she is grateful because she has a good job, unlike most other immigrants:

> This is one thing about Canadian experience …. My husband could not find a job, so he had to move to – [name of city]. …. He has to commute and come home on weekends … Engineer. BSc Mechanical, MSc Electrical … He tried to get his professional engineering license…. He got a job at – [name of company] for engineering job. Even though his credentials were recognized here, he couldn't get into his field. He didn't like it because they treated him like a handyman…. He was there for two years and the job left him. …I am lucky I know it, it's not easy because immigrants don't get this break, they don't get any break. It is hard work. I wake up at 5 and I get home 6, or 7, maybe 8 because of traffic. But I don't complain. Bright people end up in factory work. People that have been here longer than me are still working in the factory. … I pretty much had to start over… I was on a contract…. And when that ended. I got another contract…. My current position is contract. I applied to other places, but they gave the job to someone already in the organization.

Like Shirley, participants' belief in the universality of discrimination against immigrants makes their individual situations less disquieting and seem like simply the unavoidable reality that immigrants must navigate. To them, the future remains full of deferred possibilities, despite present setbacks.

4.3.3b "True" Canadians Are Self-Reliant

Another point resides in participants' strong desire to establish themselves as 'real' Canadians and not stand out as new immigrants. This make them mimic characteristics they perceived as Canadian-like. One such trait is self-reliance: a trait they claimed to have learned to adopt since arrival in Canada. Shane, described this Canadian trait as follows:

> Canadians are very polite; they are not like Americans. They don't like to be bothered but they will not tell you…. they will behave somehow and that is your sign - if you don't take it, they will run away from you. …. I don't bother no one, I don't bother with no one …I learn to stay in my own lane.

Participants claimed that, as new Canadians, they feel overwhelmingly alone and solely responsible to themselves for their own successes. They noted that typically several people within their Canadian networks are or, had been, in parallel situations and are either still trying to succeed or have done so by their own resourcefulness and diligence. Similarly, they are expected (and aim) to survive and prosper by their own resoluteness and hard work and not be burdensome within their networks and communities. Consequently, participants claimed to have no expectations of assistance from any source that could level the playing field or alleviate their economic ordeal beyond their personal abilities to plan and seize on opportunities as they arise. Notably, this does not seem to indicate that they would be unappreciative of such interventions, but rather indicates an acceptance that such interventions are not likely to be forthcoming. The

series of employment assistance programs attended neither levelled the field of play for them nor alleviated their economic needs. Instead, they helped get them survival jobs based on the impression that to get good jobs, they needed to acquire their Canadian experience through any available job, even if low-skilled and low-paid. This, however, was not their typical experience as most are yet to obtain good jobs several years after arrival. Many saw the programs as helping to legitimize the idea that they needed to rectify their lack of Canadian experience through survival jobs, at least in the interim. For the majority though, the interim jobs became long term.

The prevalent idea amongst participants is that the ability to subsist and advance towards their desired lifestyle goal rests squarely on their commitment to themselves and their respective families. Commitment to themselves took the form of hard work, as well as increased engagement in activities that would enable them to move out of the unappealing category of "new immigrant". For participants, such progressive actions include: (a) retraining, if time and finances permit; (b) engaging in internship programs, if available; (c) volunteering, if available and permitted by time and financial obligations; and (d) networking whenever possible in order to get access to new opportunities. They noted, however, that regardless of the route taken to improve their marketability for the good jobs, survival jobs are inevitable stopgaps until the real break occurs. For some, survival jobs have ultimately become long term and they find themselves in situations they have learned to accept, but which they continue to strive to change. Elaine is a typical case in point. Her statement below reveals her coming to terms with her reality and challenges:

> You have to have certain certification. I did all that and it turns out to be a waste … Family's health started to decline and all the disappointment so I got

> a job that can barely pay my bills. …. People were getting fired so I had to think about my job security. … I have been eight years as a cashier. The cashiers were paid more than sales floor and slightly under (i.e. less pay than) management.

Thus, when she had an opportunity to apply and possibly move up to a mid-management position in her place of work, she declined to do so, choosing instead to remain in a lower but more secure position. Her concern was that she might not get the position and even if she does get it, she might soon experience job loss due to what she refers to as underlying racism and discrimination in her workplace.

4.3.3c Sowing and Reaping

Thirdly, participants' enigmatic reaction to their let-down is tied to their decision to relocate and their ultimate choice of Canada as their preferred destination based ultimately on their conviction that the move is prudent. Their strong convictions allow them to consider their circumstances as temporary and as possible to overcome through hard work. It also invokes their willingness to "start-at-the-bottom". Therefore, their predisposition is to endure necessary hardships now to secure their families' long-term future prosperity, prestige, and authenticity as bona-fide Canadians. Universally, they believe that inserting their children early into Canadian society ensures this. For participants, the privileges stemming from their children becoming 'true Canadians' are not simply bestowed, but rather are acquired through their own sacrifices and willingness to stay-the-course. When considered in relation to the uncertain quality of life and compromised well-being experienced in their countries of origin, Canada's comparatively good governance, advanced economy, universal healthcare, and social policies make it a desirable residence for their families. Moreover, they stated that Canada's international reputation as progressively more welcoming of diversity and

comparatively less stringent entry and citizenship requirements make it a preferred destination, as opposed to other comparable alternatives such as the United Kingdom, France, or United States. Hence, despite their highly disappointing labour market experiences, Canada remains viable and welcoming and they are generally satisfied with being in the country. Seeming to speak for all, Angie, explained:

> I came because I was looking for greener pastures … The economy in – [country of origin] was very bad. …My family is in the States and I have a brother there. We are very close … I was sponsored to the States but the environment in New York was not nice. I am more comfortable in Canada. It is cleaner, safer and more peaceful. The health system is beneficial in Ontario and I can utilize it and have a better life. I could not utilize my education because I was working in the bank before… but I am contented. I am not aiming to be a millionaire. I just want to have a daily quality of life and future for my children."

For Sharice, who has been in Canada for over two decades and who currently manages her own small business in addition to her MLM business, Canada remained viable despite the challenges she navigated to subsist:

> It was worth coming to Canada. Canada has resources: knowledge, schools. I am satisfied with Canada because I work hard, and I put my kids through school. I couldn't bond with my kids – my mom raised my kids because I was very busy working and bringing in money… I worked at … [Fast-food restaurant] for 5 or 6 years and with … [name of company] as a Pharmacy Assistant…

As though scripted, participants continuously reiterated their self-motivating belief that their current sacrifices and tenacity will enhance their children's future prospects, who (unlike them) will have easier access to the opportunities available to the Canadian-born, which they themselves are (being) denied. Universally, they perceive their current challenges and sacrifices as investments that enable their children acquire the necessary Canadian culture and related socio-economic advantages. There were, therefore, few expressions of regret about their decisions to relocate. Only one

participant, who had been in Canada for seven years, claimed to be actively exploring opportunities to leave Canada.

Considering the above, participants' openness to ways to improve their situation make them ready targets for MLM's unique propositions. This is the subject of the next subsection.

4.3.4 Contact with MLM

Most participants, including current operatives, could not recall their first contact or introduction to MLM. They, however, recall contacts that left lasting impressions, resulting in either acceptance or rejection of MLM. Some immigrant participants have vague recollections of contacts with MLM recruiters in their first few months in Canada. These were chance meetings with potential recruiters in public spaces, or brief discussions with fellow immigrants, co-workers, relatives, or neighbours. Though vaguely recalled, these contacts did not stir interest in MLM at that time. A few also recalled accepting invitations to attend MLM events. Nothing seemed to have also come of these and, indeed, any recollection of such incidences was mostly vague and dismissive. A few participants also claimed to have heard negative 'buyer-beware' stories and had thus no interest in MLM.

What was discussed as the "initial contact', therefore, are the incidences that became significant because of the outcome (such as joining MLM), the recruiters' approach, the location, the circumstances, or the person involved. Such contacts usually influenced participants' ultimate attitude towards MLM. The timeframe between arrival in Canada and the recollected contacts is variable and wide-ranging, and therefore imprecise. Thus, while some recalled these contacts to have occurred within

their first year in Canada, others claimed it was anywhere between one and five years (or longer) of living in Canada. Interestingly, however, further discussions among MLM practitioners typically revealed earlier interactions with MLM recruiters than previously mentioned. This may be because such contacts made little impression at the time. Sometimes, the same unrelenting operatives that made earlier forgotten contacts also made the pivotal contact, which participants readily recalled. For example, Seth, who became an operative after 13 years in Canada, initially claimed the contact that precipitated his registering in MLM was his first. Further discussion revealed this was not so, however. Even then, recollections of previous occasions prompted through multiple probing were muddled with the one that became the catalyst for registration. As he explained:

> A friend invited me…. Me and that friend have been together when I was in … [previous job]. … He suggested this in 2014 [when participant was unemployed and joined MLM]. He was already in it… He had been telling me long time but because I was making money, I didn't want to be distracted … [The first time/previously] he said 'friend, you can have something to be doing alongside … [participant's old job]. This will be part-time. …We were in my office and just talking when he broached it then [again] and said: "you don't have a job; you should try it" … He broached it several times [before] asking what do I think of it? ... We met in the church and I told him I'll like to try that, and I went to his office and I went online and registered.

Overall, introductions to MLM differ in terms of the: (a) relationship with the recruiter; (b) starting point of discussion; (c) incidence, or circumstance that motivated the discussion; (d) setting; and (e) approach employed. The commonality, however, is that for all but one participant, recruiters were in the networks they developed as newly arriving immigrants. Even though settings and circumstances differ, recruiters usually insert MLM into normal interactions, which then culminate in invitations to either attend MLM events or purchase related products and services. Those experiencing imminent

or actual unemployment are particularly vulnerable targets. Invitations may be to recruiting events (called *opportunity* sessions - see Chapter Three) or to private marketing parties that double as occasions for selling and recruiting. These events usually include experienced operatives in attendance. The private events are held in an operative's or someone else's home.[19] Since refreshments are provided, they are called parties. The host(s) invite people within their networks to attend product demonstrations, which they hope will result in both purchases and MLM sign-ons. It is an effective and often-used tool because, according to operatives, it is easier to invite people to a home than to a public location. As Koehn (2001) noted, refusals to such invitations are also more difficult to sustain when confronted by a persistent acquaintance, friend, or family member. Both acceptors and rejecters recalled attending such informal events and, of the acceptors, four were compelled to explore MLM through such an event.

Except for three acceptors, attendance at the first MLM event was usually in response to repeated pressure from the would-be recruiters. It seemed that the closer the relationship and spatial interaction, the more frequent and effective the pressure to buy, attend meetings, and/or join. While the majority attended their first MLM events to please the recruiter in their networks, the three acceptors attended purely out of curiosity. For one, it was due to a fascination with the long-time carefree friend's serious, more focused, and philosophical attitude. For another, it pertained to an acquaintance's apparent prosperity. For the third, a non-immigrant, it resulted from a chance meeting at a retail outlet with a stranger. All attended recruiting events that culminated in their registration. While one of them is still floundering to find a footing in

MLM, another eventually left MLM after several years. The Canadian-born participant has remained in MLM for over a decade since initial recruitment. Nevertheless, except for the one, participants were generally introduced to MLM by individuals within their social networks.

4.3.5 Accepting - Rejecting MLM

Apart from the three who accepted invitations to recruiting events and who registered immediately afterwards, participants usually declined the initial invitations to join MLM because it does not provide steady revenue for subsistence. Thus, although the majority (86%) eventually became operatives, they did not initially consider MLM viable because it lacked income security. Yet, it provided a hope that they might eventually not require any formal sector job and that they could possibly exceed their own revenue expectations. This hope eventually convinced most to register. However, among other reasons, the demands of their formal sector employment that provided their subsistence income ultimately compromised the commitment of those who accepted, limiting time available for MLM and for some, leading them to quit.

Interestingly, only one participant, who was Canadian-born, did some research on the MMO related to her MLM group (but not on MLM itself) before joining. Others, like the participant, below simply registered or merely read the brochures provided by their recruiters without researching MLM or their allied MMO. This may be due to the innate trust that exists in relations that are then abused by MLM recruiters (see Gabbay and Leenders 2003). Oliver described below how and why he joined:

> He gave me brochures. From what I read; the product seemed very good. … No, I did not do any in-depth analyses before joining …I didn't. [Researcher: Why not?]. I talked (thought?) about the people in my mind and given my vulnerability at that time, I thought it will help me. [Researcher: Vulnerability?]

> No job. You have family, kids and good education but no job. You become very despondent. You get very angry; you get angry at the system. You went to school and you see your white colleagues occupy very good positions. You get very angry, you lost hope and you don't give a damn anymore. You become self-destructive; you feel hopeless. You feel there is nobody to help. And before you know it, you become very self-destructive doing things that are against your own values … And I met this guy.

For their part, those who rejected MLM claimed to have been persuaded to do so by one or a combination of the following factors: (a) negative experiences with overzealous recruiters with incredible revenue claims; (b) lack of evidence of prosperity in potential recruiters' lives; (c) negative articles and videos about MLM; and (d) simply because they could not afford the income and time investments required to build their business. Tired of "pestering" from those in her networks, one participant who rejected MLM read up on the system and acquired a video[20] to reinforce her critique.

Registering as an MLM operative is a function of some factors that include: declining hope for better employment; a dearth of alternatives; unemployment or its imminence; persistent recruiters; progressively untenable work situations that amplified MLM's attractiveness; and viability and latent fear of missing out. Despite their membership in MLM, some participants admitted that they would still accept formal sector jobs they consider worthwhile. At the time of interview, some were relatively inactive but are leery about quitting mostly because of the latent fear of missing-out. Hoping to recruit a superstar downline or that a good job might turn up, they remain in MLM, managing the impression[21] of being committed despite misgivings about some key aspects of its operations. Oliver, who was once highly active and enthusiastic about MLM explained his reason for moderating his activity as follows:

> I was in ---- (an MLM group) four years and I stayed there with the hope that something will come around. I tried and I got frustrated and I got to the point

> where I began to question it. I gradually phased it out. I don't go to so many meetings, make calls and travel as often as before. I can't be making money in telemarketing and spending it on travelling… You fail because you don't recruit enough people and the people you recruit have to recruit and those people have to buy the product. It is through the product that you make money and if they are not buying, you don't make money because it is through the product you get some percentages. It is self-defeating - I didn't want to impose on my friends and try to fool them.

4.4 DISCUSSION AND SUMMARY

Demographically, study participants are mostly[22] immigrants with university education and several years of work experience prior to arriving in Canada. Most arrived as economic immigrants and through the FSWP (Federal Skilled Workers program), which uses a point system to assesses applicants' potential to contribute to the Canadian economy. Yet, despite the careful selection process these immigrants arrive in Canada job ready but unable to access jobs corresponding to the same qualifications by which they were selected. Instead, they found themselves having to take low-level, low-paid employment that did not require their carefully selected technical and creative skills. At the time of interview, most immigrant participants had yet to access work matching their skill sets. Typically, this was well after the decade following arrival benchmark established by Statistics Canada. Instead, they continue to engage in precarious jobs or their own small businesses. Although informed by employers and facilitators at employment resource centres that their inability to access jobs relevant to their credentials was because they lacked Canadian experience, participants believe this to be merely a smokescreen for the implicit discrimination - which some named as racism - that facilitates the exploitation of immigrants as cheap labour for the Canadian economy. They arrived at this conclusion based on information they received from the immigrant community and from their own experiences, wherein

less qualified Canadians have been given jobs for which they, as immigrants, are better qualified. Also, attempts to access better jobs by retraining, recertification, volunteering, and internships that are said to provide advantages in obtaining formal employment did not result in the expected jobs for many. This further reinforced participants' belief in the existence of discrimination against immigrants' access to good jobs.

While participants consider discrimination against immigrant credentials appalling and unfair, they are fully resigned to this reality. They consider it to be the status quo that they can do nothing about. Though they occasionally feel distressed about this situation, it does not affect their feelings about their decision to move to Canada. They continue to consider Canada as better for their families based on its international reputation and the potentials it offers. Hence, the inconveniences and indignities they currently encounter are considered sacrifices and investments that embed their families into the Canadian system creating the potential for a more stable future, one which includes the international status accorded to Canadian citizens. They further believe that as a rite-of-passage for all new immigrants, the alleged discrimination has nothing to do with any individual shortcomings or otherwise on their part. Notwithstanding the perceived commonality of discrimination, they see resolution as residing in individual actions and their respective abilities to manage their personal situation and forge their own pathway. This, for them, culminates first in a good job that provides good revenue to elevate their standard of living.

Acceptance of this status-quo and the belief in individual resolution stems primarily from: (1) their perception that it is Canadian to be friendly but reserved, which means internalizing problems and resolving them without burdening others; (2) the view

that they ought to be able to successfully navigate the system since others have; (3) their desire to distinguish themselves from the negative milieu of the category of 'new immigrant'. Based on the view that fellow immigrants are as disadvantaged as themselves, there is a latent distrust of fellow immigrants within and outside their networks, but especially in their workplaces. They worry that since these 'others' are also on the lookout for their personal advantages, the actions of other immigrants may undermine their own interests somehow. Hence, participants maintain their own counsel, but interact strategically with others in pursuit of their own solutions. Some asserted that within their ethnic groups, those who have 'made-it' create some distance with new immigrants, who they fear could intrude, undermine, and disrupt their lives. A male participant summarily declared: "we all came to Canada for ourselves, not for other people".

Participants' recourse to "any job" resulted from mounting needs for subsistent income, and after consultations with facilitators at employment resource centres, as well as other immigrants who had been in Canada longer. They had expected these jobs to be short-term in order to generate the crucial Canadian experiences necessary for employment that is more aligned with their credentials. However, for many these became long-term jobs. Nevertheless, they maintained optimism about the future. This paid off for some, who, after retraining and recertification, eventually accessed jobs with wages that elevated their lifestyles. Interestingly, both immigrants and Canadian-born participants commonly expressed dissatisfaction with their current good jobs or survival jobs. The main issues of dissatisfaction relate to the quality of employment, work intensification, work-related stress, job insecurity, and long hours. Only one participant,

who came in as a minor with relatives, and who obtained university education in Canada, expressed satisfaction with her good job. Yet, two others who also came in as minors and obtained university and college education did not fare as well.

While industry watchers (Cahn 2008; Bone 2006; Kong 2003) noted that MLM grows during periods of economic downturn, even without a downturn, participants' dissatisfaction with their employment, combined with their strong desire to make-it, provided sufficient motivators for MLM to tap into and operationalize. Prior to registering, most participants were not interested in MLM because they: (a) had no time and did not explore it; (b) wanted employment that paid wages; (c) had formal sector employment that paid regular (and even good) wages; and (d) did not like the business model.

Participants were mostly introduced into MLM by individuals in their networks that kept up the pressure to join. Eventually, a range of factors made MLM more viable to them, including fear of losing out, insecurity, dissatisfaction with their formal sector employment, changes in their circumstances (e.g. childbirth) that make them crave more free time, and imminent or unexpected unemployment. MLM's principles of equality and liberty resonated with their desires and belief in being individually responsible for improving their circumstances despite experiences of discrimination. MLM's promise of financial improvement seemed attainable since they would be working for themselves and success was directly related to their own hard work.

A key objective is to determine whether the barriers immigrants confront account for their venture and their willingness to stay in MLM. Based on the above, the answer is clearly 'yes'. Beyond this, however, is the larger issue of precarious employment, which

exploits both those in desirable and undesirable employment. Both groups expressed dissatisfactions with their jobs. For the one group, dissatisfaction relates to insecurity and work intensification. For these people, MLM's purported flexibility that allows for increased income and more time to enjoy earnings is persuasive. It is significant that the only participant that expressed satisfaction with her employment also rejected MLM. For participants in the higher spectrum of precarious employment, their reasons for dissatisfaction are more extensive and include low wages, low or no benefits, insecurity, disrespect, and deskilling. For them, MLM is a way out of the doldrums of their jobs and their stagnant existence. It provided an opportunity to improve their income and overall quality of life. The few participants in this group who did not become operatives were discouraged that MLM provides no benefits or income guarantee. Also, having not seen clear-cut evidence of success with their friends and relatives who tried to recruit them, they concluded that MLM is not viable. This was also the conclusion that inspired the eventual departure of former MLM operatives.

Indeed, as discussed in Chapter Three, MLM is an effective and insidious strategy for capital accumulation, whereby the exploited willingly give up more than the surplus value. In this, MLM outperforms the traditional form of capitalist exploitation whereby surplus value - the difference between wages paid to the exploited and their outputs during the period of hire -becomes appropriated. Capital's attempt to enhance its surplus value takes the form of work intensification, insecurity, and other stresses that drive labour to MLM. Participants, however, found no respite in MLM, which still appropriates their outputs but without any wage cost to capital. Also, unlike in formal sector employment, where effective labour activism often results in some concessions,

at least temporarily, MLM operatives have no such recourse because they are not legally recognized as employees.

What makes some join MLM despite its negative reputation, while others decline? One of the reasons is because of MLM's strategy of using operatives' networks as its extended resource. This is the focus of Chapter Six. The other reason resides in ideology and its impact on action or inaction. This is the subject of the next chapter.

NOTES

[1] This ranged from 3 years to 40 years – with four outliers between 30-40years. Removing the outliers brings the average years living in Canada to 13 years.
[2] As discussed in chapter 1, these include 3 brought in as children (13-17 years). In this study, they are considered first-generation immigrants.
[3] This may relate to the fact that because financial services-based MLMs require certifications to earn commissions, families with young children that are often targeted may not have sufficient time to study for said certifications.
[4] Since income is based solely on sales, the type of product does not impact attainable revenue. However, it determines how soon commissions can be earned if certification is required.
[5] This was one of the more generous events with free food. Dress code was also formal. No male featured as a presenter in the audience of over 1000 estimated attendees. The three that briefly spoke were related to the leaders being feted.
[6] This also has some historical basis: At its onset in the mid 20th century, MLM's flexibility enabled women earn income without compromising their caregiver roles (marykay.com/history). This trend seemed to have been sustained as the DSA statistics showed 82% women vis-à-vis 18% men.
[7] While operatives closer to the base of the pyramid structure positively refer to their moderated participation simply as being *less-active*, their uplines consider them as *inactive*.
[8] He arranged a meeting with them.
[9]I bought one of such motivational books from one of the leaders during fieldwork. Reviewed literatures pinpoint the sales of books and tapes as profitable addendum business among the leadership (Cahn 2008; Bone 2006; Kong 2003).
[10] His accelerated growth is unusual and exemplary in his group.
[11]This also helps with tax breaks for the family.
[12] The simplified version is found at https://www.canada.ca/eng/immigration-refugees-citizenship/services/immigration-canada/express-entry/eligibility/federal-skilled-workers.html. A complicated but more comprehensive version is at https://www.canada.ca/immigration-refugees-citizenship/corporate/mandate/policies-operational-instructions-agreements/ministerial-instructions/express-entry-application-management-system.html
[13] These factors and their points allocation are intermittently modified to reflect the needs of the economy.
[14] This is defined as how well a subject is likely to settle in Canada.
[15] Canada's continuing positive international reputation is evidenced by OECD's declaring her labour migration system as a comprehensive, responsive global model for others. Also, 6% of potential immigrants in a recent Gallup poll named Canada as their top desired destination above Germany, France, and Australia - second only to the US (Agopsowicz and Billy-Ochieng 2019).
[16]The exact timeframe was not specifically probed as recalling the details seemed emotional for the first two interviewees. This inference is thus from the few volunteered timeline which is within the first month - shorter for one. The sense of isolation was palpable with some participants.

[17] Some put it in more racist terms.
[18] At time of interview, this participant was planning to leave Canada.
[19]This is usually in an operative's home. Two operatives who have achieved leadership positions in their respective groups claimed to organize weekly recruiting meetings in their homes with active downlines in their networks doing the legwork of inviting quarries. In-home events are informal, cozier, less intimidating, and therefore more persuasive. Attendance can however be unpredictable. I accepted an invitation to one for a free facial which was camouflage for marketing, selling, and recruiting. But only two of us in addition to the host, a middle level operative, were present.
[20]She helpfully sent me the video-link.
[21] Interactions between some operatives and their uplines seemed strained. This goes both ways. On their parts, uplines feign enthusiasm towards downlines whose level of activities they describe as time wasting. Yet they continue to hope for positive changes in their commitment levels. Two of my hosts incurred the disapproval of their uplines for their tardiness – I arrived at the events long before they did.
[22] That is, apart from the four that are Canadian-born.

CHAPTER 5

EXPANDING THE CAPITALIST ECONOMY: THE IDEOLOGICAL FRAMEWORK SUPPORTING MLM

…the structuring of the Canadian economy which is evolving a segregated labour market that consigns racialized group members to particular types of work, occupations and sectors of the economy. The resulting system of racialized exploitation depends on the racialized undervaluing of human capital, racialized under-compensation for labour, and racialized income inequalities to benefit capital accumulation. (Galabuzi 2006)

Speed walking into the venue of the weekday meeting for an MLM group, I was flustered and concerned at the uncomfortable possibility of arriving late even though I was about four minutes shy of the scheduled time. Sighing in relief as I entered the reception area, I saw my host waiting to sign me in. I made it! Stressing the importance of arriving on time, my host had offered to pick me up; but I declined the offer partly because I did not want to impose, but mostly because I wanted to be able to leave[1] immediately afterwards. However, the surprisingly heavy traffic, unusual when travelling against the late rush hour flow, accounted for the 'close-call'. My concern, however, was abated when my host told me that the meeting was not for another 20 minutes and that the extra time was to allow guests to settle-in and to accommodate stragglers. S/he briefly showed me around and led me to the specific room for the information session for guests. Several event pictures lined both walls of the hallway and one of these featured a couple receiving delivery of a very classy sports car. Their testimonial was one of those later shown during the information session. The session itself was

informative. It consisted of the usual fare of introductory video presentations about the dire state of the economy, unemployment, and workers' indebtedness on one hand, with MLM presented as the solution. This was accompanied by testimonials of successful individuals. At the end of the session, which introduced the business opportunity, we joined the regular operatives in the large hall. My host pointed to the leader of the group seated in the front row as the one whose framed photo was in the hallway, and who was also featured in the testimonials[2]. Reiterating his unique story again, s/he praised MLM as the "opportunity of a lifetime" and offered to arrange a personal meeting with him so I could learn more about the business opportunity and understand why s/he is "so passionate "about it[3]. S/he described the leader as personable and modest despite his immense wealth. I met him briefly and he reiterated the invitation for a one-on-one meet-up. He was very amiable. He informed me that he has no need to work and declared it his altruistic mission to help others achieve the success that he knows is possible through MLM.

The reality for MLM operatives is thus constructed and reinforced by and through the numerous testimonials of what they call "real people" who are no different from the listening audience, like this leader. However, unlike others in the audience who remain poor and exploited by their jobs and bosses, they differentiated themselves by accepting the opportunity of MLM to embark on the quest for financial independence and by sticking with this opportunity. Like ordinary people, such as new recruits and prospects in the audience, they were criticized by sceptical relatives, acquaintances and friends who did not "catch the vision". However, they kept at it and chose to "pursue their dreams" against their opposition. The result is that they are now either on their way

to financial freedom or have already attained it. The leader's story, and those of others in the testimonials is the quintessential universal story of the American dream, wherein taking advantage of emergent opportunities and working hard will result in prosperity. MLM is the opportunity that the listening audience should accept to avoid a disservice to themselves. The strident message of the testimonials is that '*If people like us can be successful, you can be successful as well; if you are not, it is your fault'*. This is the resounding message at this event, and all other events attended.

In this chapter, the objective is to show first that MLM and Canada's economic immigrant program (particularly the FSWP) solicit participation through practices that are legitimized by ideologies that manage, contain, and eliminate emergent contradictions and deficiencies. In this regard, the ideal types created by Boltanski and Thévenot (1999) in their discourse of capitalism will serve as explanatory platforms. As discussed in Chapter Two, Boltanski and Thévenot developed six ideal types - *inspirational*, *domestic*, *fame*, *civic*, *market* and *industrial* polities - to explain the role of ideology in perpetuating the capitalist system. Likewise, these ideal types will help explain how ideology and values, overt and latent in both MLM and FSWP offerings and practices independently and in combination, perpetuate the MLM system and the partial integration of skilled Canadian immigrants. The second objective of the chapter is to demonstrate that both the MLM economy and the FSWP are complementary aspects of the spatio-temporal reach of the capitalist enterprise through which the status quo, the dominance of capital and the accumulation process, remain both undisturbed and enhanced (Harvey 2010; Jessop 2008). Accordingly, the chapter is organized into three sections. Section one is a general review[4] of the influence of ideology in shaping choice

and action. Section two discusses the six polities and how they apply to, overlap with, and shape transactions in the two focal systems – the MLM economy and the FSWP – despite overlapping contradictions and deficiencies emergent in their operant principles. Section three discusses the MLM system and the FSWP as part of the larger local and global capitalist framework. The chapter concludes with a summary and discussion.

5.1 IDEOLOGY AND THE CAPITALIST ECONOMY

In *The New Spirit of Capitalism* (2006: 3), Boltanski and Chiapello define ideology as "a set of shared beliefs inscribed in institutions, bound up with actions, and hence, anchored in reality", which justifies participation or support for a system and sustains the forms of action and predispositions compatible with it. They distinguish their notion of ideology from the Marxian understanding, which they described as a reductionist "moralizing discourse, intended to conceal material interests which is constantly contradicted by practice". Ideology to them is rooted in reality, which informs action that serves as a source of justification for such actions. Uniquely, MLM straddles both reality and practice: the one (Marxian) underlying the other to motivate and justify buy-ins and action. Operatives and leaders admit, and indeed celebrate their motivation for participating in MLM, which is to acquire wealth to sustain their dreams of lives of ease and leisure. Capital accumulation in MLM is not a negative pursuit. Rather it is noble and the reward of those who work hard at following the system. In a laissez-faire sort of way, MLM operatives desire to be enriched and are unconcerned about whether their individual outputs benefit others (i.e. uplines) because they also benefit from others (i.e. downlines). Their individual aim is to ensure more benefits from the aggregate

output of others (downlines). Like the leader in the example above, the altruistic bonus for them is that they *help* others while pursuing their own wealth. This makes them feel good. Yet, unlike the regular operatives, the leader discussed above 'owns' the venue that hosts the weekly and periodic events organized by the group, towards which each operative pays a regular 'token' rental fee[5] as part of their own independent business expenses. Even though operatives typically carry out the bulk of their individual MLM activities from their homes, vehicles and public spaces, the venue also doubles as their official office ('team') spaces as necessary. The token fees, along with the various annual renewal fees[6] paid to their affiliate MMOs to maintain their membership and other expenditures related to the use of their vehicles (gas, insurance, maintenance), their homes (for marketing, recruiting, training and warehousing purposes) etcetera, become part of their MLM business expenses for tax purposes[7]. Yet this leader, like the other leaders and uplines who earn income from sales of motivational books and tapes, as well as for facilitating and making presentations at events, continues to claim altruism as his motivation. The revenue accumulated from these activities are considered by them as simply the result of hard work and discipline. For the general operatives who have no access to these obscured income opportunities, the pursuit of wealth is to be achieved by simply following the MLM system. Once wealth has been acquired, operatives expect to become philanthropists as a way to *give back* to society.

The convergence of MLM rhetoric and practice with the neoliberal ideology of equality, materialism, autonomy, and individuality resonates with operatives and facilitates MLM's growth. MLM offers hope[8] to immigrants and hard-pressed Canadians already conditioned by neoliberal notions of enterprise, individuality, and equality due to

circumstances of economic difficulties[9]. Although their formal sector work experiences seem to negate these neoliberal ideas, MLM affirms and highlights them. In contrast to formal sector barriers such as demand for Canadian experience, the nominal cost of entry to MLM not only makes access easier and (seemingly) less risky, it is a practical confirmation of equivalence of opportunities, which makes it rational for operatives to want to engage and persevere in the system. Thus, to immigrants and others on the margins (Vosko 2010), MLM offers hope. By promoting ideologies that emphasize passions of over-arching importance[10] (Tocqueville 1835/2004) to economically disadvantaged members of the society, MLM finds ready acceptance not only in Canada, but also across the global North, including the United States and Western Europe (Cahn 2006; Kong 2003). High and Lewis (2007: 39) reiterated that to be accepted, an "established order must make its world view appear taken for granted". This aligns with Barth's (1981) discourse of value (see Chapter 2) and this is precisely what MLM has attained. This is so much so that not only are operatives impervious to the controversies surrounding the industry, event speakers convincingly dismiss critiques through testimonial evidence provided by 'real people', many of whom operatives have come to know within MLM's closed circles.

Similarly, new immigrants' acceptance of their marginalization and underutilized technical and creative resources as necessary rites of passage remains normalized by the circular argument that it is common to all new immigrants. Their belief in the neoliberal ideals and the American dream receives validation by their awareness of immigrants within their networks who have successfully overcome the odds and become successful in Canada. Thus, for them, these examples of MLM-like testimonials

become the confirmation (which Barth's refers to as prestations) that they too stand the chance to be successful, despite the barriers they currently confront. MLM thus offers participants the opportunity to attain the success they crave. Immigrants' conviction about the rightness of their move to Canada accounts for their resilience and willingness to accommodate the inequity, which they assumed would be transient. MLM becomes the means or "opportunity" to guarantee this. This conditions operatives and new immigrants for exploitation (Boltanski and Chiapello 2006) through MLM - the former by following the system (Cahn 2008; Bone 2006; Kong 2003; Pratt 2000b) and the latter by their resignation to the systemic discrimination that creates a pathway to their becoming operatives. The process by which self-exploitation becomes the established order is described by Pratt (2000b) as 'sense-making' and 'sense-breaking'. The tools employed include the various events, testimonials, camaraderie, team building activities, the mentorship program and various gestures and symbols such as recognition, jewellery, vehicles, etcetera, as described by participants. These become validating prestations that, indicate to operatives that they are on course and should continue to persevere regardless of any current difficulties.

A common symbolic gesture recommended by event speakers and leaders[11] to their mentees is memorializing the very 'first cheque' received as commission income by framing or laminating it[12] in celebration of their pursuit of financial freedom. Leaders' memorialized cheques thus become another prestation, indicating to mentees that they too will become as successful as their mentors if they stay the course and comply with the system. The unabashed display of wealth in testimonials and by leaders higher up the hierarchy is the hallmark symbolic gesture that provides evidence of success in

MLM. The accoutrements of success become operatives' measurements of success even as they elevate acquisition and consumerism. It therefore stands to reason that the leader mentioned at the top of the chapter would frame and display his receipt of a brand new "custom-made sports car" on the wall of the hallway. It becomes the aspirational evidence that constantly reminds operatives that they are on track. Hence, operatives willingly rationalize their involvement even when they confront contrary economic and social outcomes. This is truly sense-breaking and sense-making in action.

Thus, bolstered by the democratic neoliberal environment upheld by MLM rhetoric and practices, operatives remain embroiled in a continuous state of positive thinking and positive speaking wherein they convince themselves that they are on the right track, especially as immigrants whose options remain curtailed by barriers. Outsiders get the notion of job satisfaction and well-being, which serves as bait for others in the formal sector. These include new immigrants seeking ways to improve their circumstances and the native-born that are dissatisfied with their employment. As the reason for engaging and remaining in MLM, participants expect financial success. Confronted with its opposite, they continue to argue: if "I work harder…"; "if I spend a little more time …"; "if only I can recruit more people…"; "if (only) my downlines are working hard like me…" etcetera. Needing formal sector work to support their MLM businesses necessitates an unsustainable work pace and level of busy-ness that led some to eventually quit. Interestingly, the harried pace of activities maintained by some participants and encouraged by mentors is seen as a positive sign of potential success. The example of Drake whose intense focus to attain financial freedom and retire from

the need to work before the age of 40 years normalized the harried busy-ness that juggles a crowded MLM schedule along with a demanding formal sector work. The participant's mentors, a couple who are not yet 40-years old but who are "retired", become the inspiration and the evidence that the target is achievable. The "retired" mentors do MLM work, which is to organize their team of unwaged worker-operatives (that includes the participant) for maximum accumulation of capital.

5.1.1 Work as Ideology

It is notable that economic migration to Canada and the MLM economy are generated by the larger neoliberal capitalist ideology at the global scale, whereby work, as employment, is central to existence (UNECO 2015). Besides being a source of subsistence revenue, employment is central to all other issues of life such as identity and valuation of persons, economic advancement, and quality of life, as well as social interaction and power (UNECE 2015)[13]. Pupo et al. (2010) see this as a matter of socialization embedded in education and various social structures, which, under the influence of the three spirits of capitalism (Boltanski and Chiapello 2006:10; Weber 1905/2002) and the organization of global capitalism, contribute to the spread of precarious employment. Ultimately, precarious employment as the outcome of the dominance of capital and its systemic project of control over labour and the production process is indicative of capitalist inequity, wherein a minority achieves wealth through the sustained exploitation of the majority (Harvey 2010; Pupo and Thomas 2010, Vosko 2010; Burawoy 1979; Braverman 1974; Marx 1976[1867]). *How* this is organized is linked to the normative ideological frameworks for action and intervention[14] present in societies where the capitalist economy operates (Boltanski and Chiapello 2006). This is

by virtue of voluntary and involuntary participation in capitalism's local and global spheres of operation as part of the normalized patterns of social life (Standing 1999; Burawoy 1979).

In *The Spirit of Capitalism* (2006), Boltanski and Chiapello assert that the capitalist economy has its own self-sustaining system of legitimization, which masks the structure of exploitation and generates uninterrupted acquiescence to the system. This is not novel in that systems of legitimation are said to reside invariably in political, economic, and social policy frameworks for the distribution of collective resources, as well as in the repetitiveness of social life (Pupo et al. 2010; Burawoy 1979; Barth 1981). Burawoy (1979) refers to the generation of 'consent' as key to ongoing participation in the capitalist system. For Barth (1981), it is simply the aggregate of activities of people exercising choice while being influenced by the inherent need to optimize accruable benefits undergirded by definite constraints and incentives. Generating consent that positions individuals as active participants in the capitalist enterprise and, by implication, their own exploitation is served first by the inherent acceptance of employment as the only source of subsistence and second, by the perception of the arduousness and inequity of the employment process as normal. This results in individuals devising coping mechanisms to transcend the objectionable elements of their employment. This, of course includes seeking ways to acquire capital that fosters autonomous and improved existence, which thus allows for the emergence of MLM. MLM creates a transformative narrative of hope and transcendence to secure consent to joining the system, which also masks the precarious reality of work within MLM. Diagrammatically, this is represented in Figure 6.

Figure 6 - Factors Enabling MLM

MLM operatives and barrier-weary immigrant participants exhibit these in overlapping ways, which ultimately intensify the inequity and precariousness that they seek to escape. Explanations of the two progressions follow.

5.1.2 Subsisting by The Labour Process

The first of this progression as occasioned by the consent generated by the obligatory participation in the capitalist enterprise, relates to the unequal and tense relationship between employers and employees (Harvey 2010; Burawoy 1979; Marx 1976[1867]; Braverman 1974). The tension results from the conversion of the transactional relationship of mutual dependencies to one regulated by the accumulation of capital as a transcending goal advantaged by ownership of capital (Weber 1905/2002). The outcome is that, at cross-purposes, the transacting parties aim to obtain the most benefit with minimal input. Herein, employers' aim to maximize outputs from workers that exceed wages paid for their period of hire is at odds with workers' desire to conserve input during the same period (Barth 1981; Tocqueville 1835/2004). In practice though, the perpetual struggle sees labour ending up disadvantaged due to its unequal status arising from dependence on capital for employment. Through control of the production process, the relationship works in favour of capital (the employer), giving rise to geo-political power premised on economic hierarchy. This is mimicked in MLM's

tiered[15] economic power relations that has multilevel marketing organizations (MMOs) at the apex of its hierarchical structure and hopeful operatives (recruits) - fleeing the inequity and capital constrains they see in the formal sector - at the base. (Harvey 2010; Jessop 2008). Irrespective of employment type and status, all but one participant expressed great dissatisfaction with their employment in the formal sector, a fact capitalized on in MLM rhetoric. Repeatedly, event speakers echo workers' collective dissatisfaction through diatribes against the unfair bosses who determine employees' lifestyle by their control over the production process. For these speakers, formal sector employment and the associated problems become the standards with which to contrast the potential benefits of MLM. Participants in survival jobs and so-called 'good jobs' complain about their intensified workloads and the unfair performance expectations of their employment situations (Gallie et al. 2017). Yet, they are also under constant threat of possible unemployment which causes them much stress. Hence, in comparison with the often-stated prospects in MLM, formal sector employment comes short and is seen as highly inequitable.

The imperative to work thus draws attention to macro and micro matters of social justice and equity with respect to the distribution of collective resources, the well-being of wage-earners and their ability (or otherwise) to ensure decent living. This hinges principally on the availability of paid work (quantity), its quality, and the potential for adequate income (Harvey 2010; Pupo and Thomas 2010; Vosko 2010, 2006; Munger 2001; Standing 1999). Hence, inadequate remuneration, under/un-employment, and poor work conditions (quality) in relation to issues of security and well-being are sources of grief for workers and the continuing focus of scholars (Ibid.) and international and

local organizations such as the United Nations and Canada's United Way among others. Inequity in the labour process curtails workers' ability to oppose injustices that act against their well-being because, still lacking capital, workers need to sell their labour power for subsistence. The situation is exacerbated further by the disproportionate number of workers requiring employment relative to the number of employers able and willing to employ them. This enhances employer power in the labour market. This is because, as the dominant party, employers have their selection of workers and can pay as little as necessary for their subsistence and relative reproduction (Peck and Theodore 1999). This status quo remains and is maintained in Canada through immigration. Hence, participants evocatively and bitterly complain that they, as immigrants, are considered to be and are positioned as cheap labour.

From the time of their arrival in Canada, immigrants are disadvantaged by unrecognized foreign credentials, which is a fact misrepresented by the FSWP. Once landed, they involuntarily find themselves on the margins and having to make a choice between precarious employment and unemployment, which they neither foresaw nor desired. They typically settle for the former (i.e. precarious employment) because rationally, it seems the lesser evil. The question of whether participants would have decided to relocate if they had more accurate information about the situation that awaits them remains largely unknown because, at the time of the interviews, all but one had no plans to return to their countries of origin. The one participant who was actively preparing to leave Canada after years of struggling against discrimination was likely willing to do so because s/he still had assets back in their country of origin to help with resettlement. Would the others move back if they also had assets back home? Or, as a

participant lamented, if they did not have to face mockery from friends and relatives that they had failed or had been mistaken about the opportunities in Canada? What is clear is that a lack of accurate information about the situation that awaited them on landing compromised their decisions. In this, the organization of the immigration program influenced their decision in the direction of moving. Once in Canada, immigrants are at the mercy of the system of distribution as workers that do not have ownership of the means of production. Thus, their options are limited to what they can access, given their need to subsist. This is the macro-level reach of the capitalist economy embedded in the movement of labour across time and space to serve the needs of capital. Resigned to the inequity of their situation, immigrants, alongside fellow native-born workers in the formal labour market engage in precarious employment and devise independent and collective ways to manage their situation. One such solution is MLM (Salaff et al. 2007).

5.1.3 Managing Inequity in the Labour Process

As discussed in previous chapters, immigrants' decision to move, and their choice of Canada as destination, results from their desire for a decent life and for opportunities they see as lacking in their countries of origin. While what qualifies for a decent life or better opportunities is both subjective and related to temporal expectations stemming from social, political, and economic contexts (Harvey 2010), participants agree on two prerequisites. The first is the shared expectation that individuals should have access to work related to their skills and credentials, that is, the combination of their technical, creative, and manual abilities. This is not the case for Canadian immigrants (Galabuzi 2006). The consensus, however, is that while this problem is not limited to immigrants, it is universal to study participants and the norm for most immigrants in Canada. The

second is that individuals should be able to sustain and enhance their quality of life by their level of engagement in paid work and the abilities they bring into it. While participants generally decry their remuneration as disproportionate with their contributions, they consider immigrants to be in a worse predicament because the lack of recognition of their formal credentials leaves them doubly disadvantaged.

Both Canadian-born and immigrant participants see themselves as inequitably treated by their employers in all aspects of their work. This results from intensified labour processes, inadequate remuneration, unsafe work conditions, and reductions in work hours without reciprocal reductions in expected outputs. Since unemployment compromises their quality of life and social standing in their immediate networks and larger society, it is undesirable and dreaded. Hence, participants remain in employment they consider undesirable while seeking better alternatives and hoping for improvements to their situation. MLM seems and becomes the fortuitous way to acquire capital that will eliminate the need to work.

What pulls individuals to MLM is the potential for an autonomous existence that does not require working for an employer. Unlike precarious employment in the formal sector, MLM promises equity, liberty, and support that will help beleaguered individuals to thrive, to eventually become independent of their employers, and to be financially secure. Hence, although MLM operatives mostly work-for-free[16], the conditions are considered fair and rational. Participants were so enamoured with the hope MLM generates that none carried out any pre-registration investigation on the odds of success in it. The only misgivings some expressed relates to whether they could sufficiently access recruits with which to build their growing enterprises. Indeed, some

whose networks of downlines collapsed attributed their disappointing outcomes to inadequate network linkages and support. Eventually, some of those who find MLM unsustainable returned to the formal labour sector from which they attempted to flee, even as new intakes are pulled into MLM from the formal labour sector. MLM thus becomes both a broker and structure of exploitation for the capitalist economy, which ensures that both MLM and the formal sector are never bereft of workers to exploit in their unique ways, as discussed in Chapter Three.

New immigrants' marginalization in the community of precarious workers makes MLM particularly[17] attractive. A typical case in point is Joseph in his 30s. Joseph relocated to Canada seven years ago with a graduate degree in engineering and several years of work experience in a senior position in his birth country. After three months of active but futile searching for employment that recognizes and rewards some of his skills, he settled on a survival job in a factory warehouse to earn income for subsistence. However, he continued his search for more economically and socially suitable employment. Nevertheless, at the time of interview, Joseph had yet to obtain the desired employment, a situation he railed against as unfair and frustrating. He had wanted to recertify in another career direction; but the fees, his job and family obligations continue to be limiting. At his first survival job, his credentials earned him a job and certification as a forklift operator, wherein he was often required to work in increasingly unsafe conditions. His protests were of no avail until the one occasion he bluntly refused to put his safety at risk. Although he was not compelled to continue with the specified work on that occasion, his employment was terminated shortly after but without cause – and with no reference to the incidence. He nonetheless remains certain

that his termination was the result of his protest, though he has no proof and no recourse. He went from being called a model (docile) employee to unexpected unemployment. Although he did get another survival job more easily with the acquired Canadian experience, he considers his skills under-utilized by both his previous and current employers who, without adequate remuneration or concern for his well-being, were and are willing to exploit his manual ability and some of his unacknowledged unremunerated technical skills. At a less intense level, Joseph also feels unfairly treated and deceived by faceless 'immigration personnel' (government) who brought his family into the country without making provisions for suitable employment for him and others in similar situations.

The totality of Joseph's experiences induced in him the burning desire for autonomy through owning his own business so he would no longer be obligated to work for wages. He considers MLM, which he encountered in his fourth year in Canada and shortly after his unfortunate termination, as the best route for his desired success. His adverse experience in the formal sector primed him and made him more open to MLM. An MLM recruiter in his community sold him on the autonomy he craved and the equivalence of opportunity that had eluded him. His bitterness over his experiences was palpable during the interview. Yet, he is not sufficiently bitter to desire to return to his country of origin where his credentials are linked more directly to employment opportunities. He remained bitter but glad at the opportunity to have his family settle in a progressive land of opportunity, even though that opportunity has eluded him economically. He is comforted that his children, at the very least, will benefit from being in Canada, which makes his challenges and disagreeable experiences worthwhile. He is

determined to succeed for them. Success for him and other participants is related to having well-paid employment that facilitates the acquisition of good education for their children, good housing, vehicles, consumer electronics, high quality clothes and jewellery, frequent travel and eating out. These attest to success and earn the admiration of those within their networks.

Interestingly, autonomy at work does not particularly feature in their definition of success. The issue therefore seems to be not so much that participants resent working for an employer but that their employment is precarious. Immigrants relate their precariousness to inadequate remuneration that is due to their skills being unacknowledged. They do not seem to mind intensified workloads if: (a) they believe they are being well compensated for their inputs and (b) their wages enable them to upgrade their living standards in relation to those in their networks. MLM's claim to provide the environment for alignment of input with reward enhances its appeal.

It seems clear that as Boltanski and Thevenot (2006) noted, conflict-free transactions require alignment between the principles and beliefs (e.g. equity, equality, liberty) operant in the larger society (Tocqueville 1835/2004) and those within actors' immediate contexts of action (Barth 1981), be it MLM, the immigration program, or the formal sector. As actors pursue their interests, the issue then is how they deal with the emergent contradictions in the systems of belief operant within and across their various fields of interactions without injury to their self-worth (Boltanski and Chiapello 2006) or to notions of reciprocity (Barth 1981). An example of this is how new immigrants confront the contradictions between their pre-relocation expectations and post-relocation realities without losing faith in either their decision to move or in Canada as a

destination. Similarly, another example is how MLM operatives manage the contradictions of continuing to work without the guarantee of at least minimum wages, when a key concern with their formal sector work relates to insufficient compensation. The practical use of ideology to influence transactional relationships is the subject of the next section.

5.2 HARMONIZING IDEOLOGIES

In that interactions and associated transactions occur within contexts of shared understandings of values, principles, and ideologies, prestations and relations of reciprocity embedded in the context promote further transactions because they indicate underlying expectations (Barth 1981). However, the question is whether misalignment of indications in operant contexts always results in derailment of ongoing and expected transactions. According to Boltanski and Thevenot (1999), the answer is *not quite*. Looking at both MLM and the FSWP, the aim here is to show the processes by which emergent challenges to specific and overlapping action contexts can be, and are, managed successfully without interrupting present and future transactions. The ideal types comprising the six polities will illustrate how contradictions in both the MLM system and the FSWP are managed without derailing intended outcomes, thereby providing docile workers/citizens for MLM, for Canadian society, and ultimately the capitalist economy.

5.2.1 Paradox and Politics in the Polities

In alignment with Barth (1981) and Tocqueville (1835/2004), Boltanski and Thévenot (1999) argue that social interaction is facilitated by collective systems of values that are contextually bounded and learned in the course of regular interactions. Obligatory

transactions regularly result in interactions across contexts with distinctively contradictory value systems that require some form of resolution to progress. Boltanski and Thévenot illustrate this process with their ideal types named 'polities', as discussed in Chapter Two. These represent competing spheres of existence with internalized logics that are integral to regular interactions that people follow to advance their interests. Boltanski and Thévenot maintain however, that because people simultaneously exist and interact across spheres with potentially conflicting standards of evaluation, actors' *inter-spheres* transactions can be compromised or interrupted at any point in time by emergent unresolved contextual conflicts. Remaining on track, which means concluding the transaction and retaining worth across the spheres, requires actors to effectively manage the conflicts in the intersection of values, ideas or practices. The fact that the internalized principles of evaluation of each sphere (or polity) are grounded on a general notion of higher common good becomes the means for conflict resolution that advance interests across systems of worth. The loss of worth in any individual sphere or combination of spheres is injurious to the perception of value and to the eventual outcome of the transaction in consideration. Barth's Skipper example in Chapter Two demonstrated this. Additionally, any loss of worth in one or more of the spheres will also compromise the reciprocal potential for future transactions, which Barth considers paramount for continuity in societies that promote social order. The following section illustrates these dynamics in relation to MLM and participants.

5.2.1a The Inspirational Polity

This is the first of the spheres. As discussed in Chapter Two, worth in the inspirational polity is conceived in the mode of grace manifest as feelings and passions experienced

as excitement and fear. Herein, worth cannot be controlled nor measured, and is qualified negatively to emphasize what is lacking to grasp and stabilize a situation (1999:159). Inspired persons describe themselves in terms that would devalue them under different spheres. Thus, while the worthiest persons here may not be appreciated in other logics, they have access to more ethereal things and knowledge that is concealed from others outside the polity (p.160). Access to 'worth' calls for sacrificing forms of stabilization (such as employment in the formal sector), electronic gadgets and devices such as cable television, that contribute to the identity of persons in other spheres (p. 161). Inspired persons assert their own uniqueness, which finds purchase in both MLM, wherein only people with 'changed mindsets 'or 'higher mindsets' appreciate the opportunity, and the FSWP, where only unique or qualified people receive landing papers.

The belief in the uniqueness of the opportunity and related knowledge, autonomy (salvation), and other accruing benefits in MLM is a key message in its recruitment and socialization discourses. A worthy operative is one who has 'seen the light' and understands the importance of helping others by recruiting and selling them products. Such an operative is actively involved and committed to the system. Through personal and third-party testimonials and rituals, operatives demonstrate the material, emotional, and spiritual welfare and equality said to be available in MLM and deficient in formal sector employment. Hence, at MLM meetings, participants are expected and told to express excitement in their freedom, to share their knowledge with others, and invite them to experience that same freedom. Operatives are continuously encouraged to expect and ignore criticisms from detractors who, lacking knowledge, are bereft of worth

(Cahn 2006; Bhattacharya and Mehta 2001). They are required to meditate on ideas that transcend their realities in ways that elevate them above the baser mindsets of those outside MLM, who are captive, ignorant, and poor. Participants learned to 'change their mindsets' and 'think big' as part of their drive for success. Along this line, they are encouraged to jettison baser habits like watching television and going to movies and, instead, use their time more effectively helping people through recruiting and selling products, and reading motivational books. A participant's involvement in MLM was inspired by a chance meeting with an old friend whose new transcendental speech attested to the changes wrought through and by MLM. The in-depth interview with this participant was peppered with a lecture on how I (the researcher) could begin to change my thinking and pursue the unique path of independence that the larger population is either ignorant of or too indolent to pursue. Interestingly, one of the oldest participants also claimed to have learned philosophical principles that resulted in a changed mindset that delivered him from the depths of despondency. Paradoxically however, the older participant's labour market participation at the time of interview was mainly in the formal sector and minimally in MLM. The proffered rationale is that since the business is not yet self-sustaining, the practical need for enhanced revenue prevailed. Also, a former operative who fully went back to formal sector employment after years of "pursuing the dream" and failing to apprehend it lamented the loss of the sense of euphoria and elation that was her staple diet as an operative. The sense of worth – and superiority – engendered by the transcendental mindset is potently euphoric and seems able to sustain[18] participation in MLM despite having to maintain harried paces to meet obligations in both sectors.

In relation to the FSWP, the rigors of the selection process give new immigrants the sense of uniqueness as successful candidates. Uniqueness stems from the fact of successfully scaling the process. It endows them with the sense of deliverance from potentially unsavoury circumstances in their homelands, which are seen to be socially and economically inferior to their new destination home in Canada. Hence, they celebrate their acquisition of the landing documents and receive congratulations from friends and relatives who, like them, believe Canada offers better opportunities. On arrival in Canada, they retain that sense of uniqueness despite their collective disappointment at the unexpected bias against their foreign credentials, which they consider unfair. They see themselves as belonging to the unique class of people who are building and making sacrifices to benefit their children's future. When reminded about the gaps in expectations and realities, they acknowledged but glossed over these, drawing on the notion of transcendence and making sacrifices for the benefit of their dependents.

5.2.1b The Domestic Polity

The second ideal type, the domestic polity, is characterized by ties of dependence among people that measure a person's worth by his/her position in a hierarchy of dependences. Encounters with others require constant evaluation of worth through concrete information and observable inscriptions and signs of worth, such as titles and clothing (p. 165). Order is maintained and evaluated with reference to generation, tradition (continuity), and hierarchy (superiority), herein represented in MLM by the system that must be followed, as well as successful leaders and mentors who must be taken seriously because their positions in the hierarchy of success grant them unique,

beneficial knowledge. To be counted as being in a state of worthiness, operatives must be seen to be complying with the system and its prescriptions to achieve superiority, as defined by the mentors and leaders. Virtues like duty, respect, honour, harmony, and respectability are values that enhance worth in the domestic polity, whereas selfishness will result in loss of worth. Training and reproduction are key operations in this sphere. Hence, in MLM, mentors remain invaluable for maintaining order and continuity. Hierarchy in this realm finds correspondence in MLM's hierarchical system, which in view of its posture on equality and liberty, is a glaring contradiction apparent in its structure and operations. The 'upline-downline' language that defines the transactional relationship, where the upline is ranked higher than the downline, attests to the structural hierarchy. The system of rewards is hierarchical in that only uplines earn bonuses and commissions from downlines' outputs, and never the reverse. In addition, since the transactional upline-downline linkage is permanent, a downline's output is always attributed to an upline's composite volume, even if their downline-upline relationship is frosty and becomes fractured. For example, a participant, Charity, whose downline is helpless without her assistance remained unhappy that her upline continued to benefit from her efforts without contributing in any way[19]. Charity decided to sever ties with the upline, whom she loathed, and left to join another MLM organization. In doing this, she lost[20] the downlines she recruited and mentored with her own resources. At time of interview, she was struggling for stability in her current organization. Both the expectation to follow the system, and the mentorship arrangement that requires voluntary subordination of downlines to their uplines as part of their alignment with the system, are patently hierarchical, despite the core MLM principles of equality and

liberty. Being amenable to mentoring, recruiting, attending events, and following the MLM system are presented as exercising liberty because of the absence of formal sanctions, as would be present in the formal labour market. Leaders maintain that mentoring is not hierarchical but rather, is purely for mutual support, encouragement and development. Through various social activities, operatives develop close ties within the group, which enable them to provide and receive the emotional and social[21] supports that increase commitment. This practice has led some industry watchers to see MLM as a cult (Bhattacharya and Mehta 2001).

In relation to the immigration process, new immigrants have similarly accepted the narrative that they need to remedy shortcomings in their Canadian experience and credentials by accepting jobs below their skills, volunteering, and/or pursuing further training. Not only do these feed services and jobs (including MLM) that shore up the system of inequality, they keep immigrants passive and acquiescent as they await better opportunity.

5.2.1c The Fame Polity

In the fame polity, public opinion trumps money because worth is measured by the esteem of others (Boltanski and Thévenot 1999:179). Normatively, MLM challenges operatives to be philanthropic-minded: to “give back to the society” to enhance their profile and psychological satisfaction. They can, however, only do this by striving to acquire wealth (a domestic city value) so they can bestow it on others who are in need. Urging operatives to fast track the attainment of their financial freedom by increasing their engagement, a leader at a weekly event summarily opined: “you can only give what you have”. Most current operatives and presenters like to argue that recruiting is a

humanitarian endeavour that *gives back* to society. The eventual gratitude of the (enlightened) recruit is presented as gratifying and worth the effort. Hence, a person who recruits is a person of worth. Since distinction is a key trait in this sphere of fame, actors must strive to be recognized, visible, and famous, as exemplified by testimonials of people who have successfully (or almost) attained financial freedom. MLM's fame logic urges operatives to seek distinction through persistence in the system so that they will become iconic in their network cycles and worthy of being testimonial examples to others. As outsiders, critics are persons without worth whose opinions are inconsequential. Operatives should avoid interactions with them since they will eventually regret not aligning with MLM when they witness operatives' financial success. At that point, operatives will have the pleasure of displaying their prosperity and saying, "I told you so". Special rewards and apparel (a white Mercedes in Arbonne; a red jacket and pink Cadillac in Mary Kay), and titles such as 'diamond' and 'ruby' (in Amway) and their accompanying insignias are awards that celebrate high performers in the system as they ascend the hierarchy. Those who have attained or acquired insignias of worthy accomplishments proudly display these to demonstrate their superior worth. For example, proudly displaying his special ring, a leader touted his superior knowledge about "how to make money work for [me]" as he encouraged me to get on board. It was an interesting encounter. Without preamble, he walked over to me and (somewhat) abruptly displaying a ruby ring. He began by stating, "you see this ring? It is genuine … carat…" According to him, the elitist ring is given to accomplished persons who have displayed mastery of the system. He proudly told me I would best serve my own interest by aligning myself with that MLM[22] where leaders like him are available to

help me succeed. In MLM, adherents are encouraged to study and listen to motivational literature and tapes to acquire relevant knowledge that will aid their personal development. This is like the unpaid self-learning that scholars (Pupo et al. 2010; Galabuzi 2006; Theodore and Peck 1998) identified as typical of contemporary labour markets, where labour supply outstrips demand. A worthy MLM operative is one who regularly attends meetings, possesses large stocks of tapes and literature, and has acquired or is actively striving towards one of the titles or prizes indicative of success. Participating in MLM activities at any level bestows acceptance on individuals and affirms that they too can attain the level of distinction, prosperity and honour of their mentors and other leaders shown in testimonials.

In relation to the FSWP, even though participants claimed to have been relatively successful prior to moving to Canada, they applied because of their desire for the distinction that is unavailable in their countries of origin. Indeed, by their account, obtaining the landing documentation is itself distinctive. Hence, the mix of congratulations and envy from friends and relatives in their home countries on receipt of the relocation documents (see Chapter Four).

5.2.1d The Civic Polity

Representing and speaking to what is common to all, the civic polity is characterized by principles of equality and the elevation of the common will above private interests. Rules are objective and detached from persons and worth is attained and sustained through sacrifice and transcendence of self. While discrimination due to their foreign credentials thwarts attempts to upgrade their living standards, immigrants remain undaunted in their quest to secure the future in Canada for dependents. Hence, they are disposed to do

whatever they can to obtain citizenship so that their dependents will become *real* Canadians and benefit from that status. Worthy operatives in MLM put aside their fears and sense of self-preservation and consider the good that they achieve through marketing, selling, and recruiting. Here, the inspirational sphere aligns with the civic sphere to motivate desired action. Operatives accept and reiterate the civic-inspirational sentiment during the interviews, even while admitting to finding the tasks difficult and unpleasant. They admit that recruiting is difficult and uncomfortable for them because they "don't like to bother people". This is emotively depicted in a female participant's plaintive statement: "people get mad at me … I don't want to make people mad". This fear is justified because non-operatives interviewed admitted to avoiding known operatives in their networks because "they are always trying to recruit or sell [them] something". Confirming this with admirable self-awareness and candour, Martha, an ex-operative, lamented that she lost friends and had strained relations with others because of her persistent recruiting and selling activities. Nevertheless, both current and ex-operatives see recruiting as "getting out of their comfort zone", which is for the greater good and needed to be done, though it is difficult. As taught, they learn "not to take rejection personally". The determined ones make recruiting a part of their daily activities by recruiting at every opportunity, secure in the belief that it is a service to others that also benefits them. Hence, to maintain and increase their worth before their leaders they regularly attend their meetings with potential recruits in tow. In this way, they seek distinction by transcending the self through sacrifice and by allegedly elevating the needs of others and the requirements of the system above the self. To maintain their worth as persons enroute to success, they maintained harried paces and demonstrated

outward signs of commitment (Bone 2006; Cahn 2006). It was apparent that invitations by two participants to their meetings served to “placate” their uplines and display their (re)commitments to the system. Among other things, because I was under strict instructions to keep my research private, their uplines treated me as a potential recruit and attempted to micro-manage[23] their downlines’ dealings with me.

5.2.1e The Market Polity

The notion of individualism is the characteristic of this sphere wherein actions are motivated by the desires and self-interests of individuals. This induces rivalry and the drive to possess “rare goods whose ownership is inalienable” (Boltanski and Thévenot 1999: 196), whereby “[w]orthy persons are rich, millionaires and they live the high life - their wealth allows them to own what others want” (Ibid.). Thus, worth is enhanced through the possession of objects that are desired by others and the state of being unwanted is a state of unworthiness. In the market polity, worthy persons are detached from domestic bonds and are free to operate and engage in transactions, even if the transactions strain domestic bonds. Hence, in MLM the worthy operative is one who trudges on despite the protestations of relatives and friends.

This logic forms the main pull into MLM work. It promises potential recruits the possibility of amassing vast amount of capital within a comparatively short time, provided that the wealth seeker is ready, willing, focused, consistent in approach, and maintains efficacy to the tried, trusted, and enduring MLM system. Recruits learn that they themselves are the only obstacles to amassing wealth and the coveted exotic lifestyle of affluence, comfort, and leisure. They are to dream big and as motivation, to have collages and pictures of the material goods and services they desire, as well as to

maintain other aspirations such as philanthropy and early retirement from work. This logic was a refrain in all MLM activities attended during fieldwork. Participants currently in MLM accept this and hence they truly strive to follow the system as best they can, even if it means getting “out of [their] comfort zone”, a common refrain that gives the impression of preparing oneself mentally for an unpleasant activity. Three participants, one of them a native-born Canadian, succinctly told me that their mantra (as they have been told) is that they need to “open their mouth to success” and that “if you shut your mouth, you shut it to your success”. Although the statements are in the context of recruiting as a way of growing their businesses, this seems to mean that they need to do whatever is necessary to achieve their desired success. As immigrants desiring prosperity, their willingness to simultaneously engage in MLM as well as in formal employment not equivalent with their skills attests to the influence of this sphere’s logic. Indeed, their being in Canada itself is in pursuit of higher economic and social distinction and prestige.

5.2.1f The Industrial Polity

In the industrial polity, technology, standardization, achievement, functionality, and scientific objects have their places and values, as they contribute to increased efficiency and productivity (Boltanski and Thévenot 1999:203). The worthy person is efficient, reliable, active, knowledgeable, and productive, while a person in a state of unworthiness produces nothing useful.

The totality of MLM discourse, reinforced by testimonials, presents precarity, poverty, and the absence of social and economic comforts as resulting from ignorance and sloth (Bone 2006; Pratt and Rosa 2003). Reflecting Marx, MLM rhetoric presented

at events and repeated by participants declares formal employment as exploitative and disempowering because employers control “where you live, what you can eat and buy, what you wear … when you go on vacation….” In comparison, MLM is presented as an efficient system that guarantees commensurate returns for effort (Cahn 2006). This makes it rational to pursue financial independence through MLM because it gives individuals autonomy over themselves and their circumstances. The viewpoint that is promoted is that being ignorant of the opportunity makes people malleable to exploitation because they then focus on “climbing the corporate ladder”. The view is that because non-operatives are disempowered, ignorant and unproductive for themselves and families, they are not persons of worth. For this reason, recruiting becomes a process of “educating people about their options”, and “the opportunity” to pursue financial independence and “early retirement from work(ing)” for wages. Having understood the significance of pursuing financial independence, operatives who are inactive or noncompliant to the system as interpreted by their mentors are considered slothful and are, therefore, not persons of worth[24]. Alternatively, those in the system who are putting in obvious efforts are persons of worth. The necessity to actively follow the system to attain financial freedom is justified by the fact that it has been proven to be successful by testimonials that are the mainstays at MLM events. Participants claimed to know people who are successful through MLM and they want, at the very minimum, to have some level of that success as well. The reputations of affiliated MMOs are invoked by event speakers and participants as evidence of the efficiency and trustworthiness of the MLM economy.

5.2.2 Harmony in the Polities

The exceptionality of the MLM system resides in its ability to neutralize and harmonize contradictions in its principles and practices using narratives linked to the logics of the ideal types discussed above. Through cyclical and circular arguments, the promise of wealth through MLM on the one hand, and examples of precarious work in the formal labour market on the other, MLM effectively quells contradictions and critiques of its authenticity. A typical example pertains to the issue of recruitment that is both a keystone to its success and site of challenge for the system. Being vital to the survival and growth of MLM, recruiting is the one task that participants admit dreading. It is also the factor most credited for inactivity, poor outcome, and quitting. It has no guarantees but demands continuous efforts. The challenge for the system is to motivate recruiting without jeopardizing its principle of autonomy or frustrating operatives out of the system. A two-pronged strategy became the normalized practice, and this has been very effective, as discussed in Chapters Three and Four. The first prong is based on the logic of division of labour. It simplifies recruiting into manageable activities carried out by individuals working as a team by level of experience and comfort. Like an assembly line, the aim is to bring prospects into the system, with rookie and experienced operators playing cumulative roles at every stage, in order to move them into private and public recruiting events where those trained in the art of persuasion can finalize recruitment. To homogenize the process, limit and eliminate operatives' concerns and excuses, scripts, talking points and strategies for answering, deflecting, and evading questions ease the process. The second part of the strategy position individual operatives as exhibiting altruism and kindness towards prospects, themselves and ultimately the larger society when they recruit others and earn income (presented as a bonus) for

doing so. Rhetorically, narratives and arguments that typify the various logics of the ideal types discussed above are used to manipulate, neutralize resistance and normalize recruiting. The alternate argument is that not recruiting is not promoting equality and liberty. This positions an operative as lazy and selfish for not sharing the knowledge of MLM's liberating opportunity, which will help others escape precarity in the formal labour market. This strategy activates reflective self-evaluation that produces guilt and self-blame related to recruiting. Testimonials, public validation through gifting and feting, as well as moderate shaming and threats of losing worth become tactics that embed recruiting as necessary and voluntary.

As discussed in Chapters Three and Four, operatives attribute nonattainment of the promised financial independence to their own failure to comply with the system's requirement, which includes active recruiting as a source of growth for their businesses. Across the spheres of transaction, the grammar used to describe recruiting is modified contextually to align positively with the operant logic to generate compliance and motivate performance. An example using two polities as illustration clarifies this. In the inspirational polity, for example, the need for uniqueness calls for sacrificing some level of stability to achieve worth, which resonates with the advice to step out of one's comfort zone and follow the system as an operative or, as the case may be, to join MLM as a recruit. In the domestic polity, the grammar of uniqueness is 'superiority', which is interpreted as advancement up the hierarchy. Depending on the speaker and event, this may be elaborated to include being generous, charitable, and providing the right lifestyle for the family, which may not be worthy pursuits in the inspirational polity. The domestic polity's anti-selfishness stance finds purchase in the inspirational polity's salvation,

which unifies the two polities on recruiting. This thereby becomes a selfless act as operatives step out of their comfort zones, as well as a generous act that liberates people from unfair employment and financial slavery. Additionally, it comes with the benefit of helping the recruiter move up the hierarchy. Thus, not recruiting becomes irrational, selfish, lazy and a cause of business stagnation.

The argument for recruiting becomes even stronger, more convoluted, and cyclical; but it is nonetheless effective as more spheres are added to the matrix. Thus, the grammar of recruiting transcends the individual spheres and elevates recruiting to the sphere of the common good in the sense of being equally beneficial for the recruited and the recruiter. Hence, as participants admitted and as authors confirm, operatives recruit even at the expense of harmonious relationships across their various action fields and networks. The relevant logics discussed above help to overcome the aversion to, and embarrassment of recruiting. This also accounts for why operatives tend to be immune to arguments and challenges from those outside their MLM communities.

5.3 SETTING THE STAGE: IMMIGRATION POLICY, MLM AND CAPITALISM

Susan's story will help illustrate the issues in this chapter. A certified accountant with above-average income in her home-country prior to moving to Canada six years ago, Susan could not obtain any work along the lines of her credentials on arrival. She was told she lacked Canadian experience. After fruitless efforts in that direction, she settled for a retail job six months after arrival as a way to obtain the said Canadian experience that would help her ease into the Canadian labour market. However, she continued to search for employment in accounting offices and financial institutions where she could use some of her skills. She also maintained contact with employment

resource centres, one of which had directed her to the retail job. Susan was told to consider retraining to enhance her employment opportunities along the lines of her foreign credentials. She then attended a one-year recertification program at one of the private colleges that provided a twelve week unpaid internship. The college facilitated an OSAP loan of approximately $15,000, with which she paid for the program. At the time of writing, Susan worked in hotel housekeeping and not as an accountant, a book-keeper or accounts clerk. Over one year after completing the program and the related internship to acquire the relevant Canadian experience in her field, Susan had yet to be integrated into her desired profession and was instead stuck working full-time at a low-skill job with no bearing on the professional training she received either in her home country or in Canada. She claims to send out several applications a week for entry-level accounting jobs to no avail. She believes that her lack of connections among the dominant ethnic group is partly responsible for this situation.

The objective of this section is to show that the FSWP and the MLM system feed and sustain the low-wage labour market in Canada as part of the operation and dominance of the capitalist economy. The view here is that first-generation immigrants (represented by study participants) essentially sustain the growth of the Canadian economy as cheap skilled labour as they are enticed and disciplined into compliance through the precarious labour market. The skills they come with, which are acquired at no cost to Canada, remain underutilized but available if needed to serve the Canadian economy, though typically at lower rates of remuneration. The common story of the immigrant participants interviewed, albeit with individual variations, is one of power and strategy on the side of capital and the state and their powerlessness as landed

immigrants (Harvey 2010; Jessop 2008). Working in concert and presenting the illusion of 'choice', the state and capital - through immigration policies and labour market restrictions - take advantage of immigrants' desire to transcend their material realities in their home-countries and then Canada, transforming said immigrants into compliant residents and workers (Galabuzi 2006). Like Susan, their desire for security for themselves and their family members is seen as contingent on their first passing the challenge to obtain landed documents as economic immigrants, which allows them to reside and work in Canada with a pathway to citizenship. Once the papers are obtained, they arrive with optimism, expecting smooth transition of their skills. Confronted with unexpected barriers in the labour market, their realigned optimism converts to willingness to endure difficulties over which they think they have some level of control through a variety of responses and strategies. This makes them a ready audience for MLM's message of hope and transcendence, and prepares them to be a part of the pool of potential MLM recruits.

Another typical example is the story of Alexander. Like other immigrant participants, the FSWP provided Alexander with his desired opportunity to access the better life that he believed is available through an income from a good job in Canada. Thus, at his point of departure to Canada, his focus was to get a good job, which he was sure would not be difficult because of the credentials that got him the visa (landing documents). However, he also found this not to be the case on arrival. Trapped by his need for subsistence income and the desire for a life of affluence that drew him to Canada, he found a potential remedy in MLM as the alternate and superior option to achieving his objective. The superiority of the MLM option for him is the opportunity to

acquire capital without the obligation to an employer. This is what the celebrations at MLM events are about: the opportunity to join the elite class of owners of capital. Sadly, for most operatives, statistics attest to their celebration as being premature because their objectives remain unfulfilled. Alexander's story is also the story of participants' immigrant relatives, friends, and acquaintances, with only a few able to cross the great divide between the class of dependent labour and the elite capitalist class. They had hinged their security on access to good employment that will provide the material rewards and symbols of success, showing they had 'made-it'. A few participants who got good jobs lament that their good jobs leave them with time for little else, but are nonetheless pleased with the lifestyles afforded by their income. Even then, for them and others like Alexander without good employment, the opportunity to transcend their powerless relationship with employers through acquisition of capital makes MLM attractive. Using equality and autonomy as prestations to ensure order and acquiescence to the extraction of capital at the structural level of capitalism managed by MLM, Alexander and his fellow operatives fancy themselves as exercising choice while being influenced by narratives from the testimonials showcased at meetings. They remain unaware that they are no better off even in the medium-long term in their relationship to capital. At best, they remain the same, though are more likely worse off, as discussed below.

It is clear that the dynamics of precarity caused by capitalism's global reach ensures a continuous supply of immigrant workers to Canada and the Global North. These workers serve as cheap labour to support the capitalist enterprise using state policies such as the FSWP. The process is strategic and clear: 'recruit' immigrants with

high educational and professional credentials as economic immigrants and ensure their acquiescence through policies that neglect to ensure their effective integration into the labour market. The commitment of these workers to labour is assured by an emphasis on a desired age range (typically 18 to 45 years), level education and work experiences. Being in their prime working years, they are also more likely to actively pursue their internalized notion of the 'American dream', which in combination with their education nurtures their sense of entitlement and desire for affluence. Hence, despite experiencing many obstacles on arrival, their focus is to commit themselves even more to industry to escape their precariousness. This increases their susceptibility to MLM, structured as it is for unfettered, conflict-free capital appropriation. The promise of economic freedom aligns with the desire for a better life that motivated their move to Canada makes MLM attractive to them. Having worked at jobs where manual labour, disrespect, and low wages were the norm, the initial rigours of activities declared to be necessary to MLM businesses are considered worthwhile. Paradoxically, they await the assumed certainty of eventual success because, according to event leaders, "nothing good comes easy". The pseudo-autonomy exercised in MLM appeals to participants as it grants them the flexibility to input their abilities and time as they deem fit. Nevertheless, industry experts (see Chapter Two) and ex-operatives contend that MLM operatives' desperation to grow their businesses through recruited and engaged downlines leads to commodified relationships and an active massaging of the truth in order to manipulate downlines and influence others in their social networks.

The need for subsistence income that curtail participants' choice of employment in the formal sector dissolves possible notions of resistance. As Theodore and Peck

(1998) described in their study of Chicago agencies, participants maintain busy lives focused only on improving their individual circumstances to the exclusion of all else. Hence, despite experiences that participants describe as discriminatory, their enthusiasm for the system[25] that exploits them remains intact. Immigrants' desires to both prove the correctness of their decision to migrate and attain their desired prosperity make them willing and compliant to the exploitative practices in the formal sector and MLM. The difference is that operatives in MLM have no formally-designated work period and no legally-mandated minimum wage. In effect, since they fund their MLM businesses with income earned from the formal sector jobs they seek to escape, operatives may be said to fund their own exploitation. In the formal sector, workers do not fund their own exploitation and surplus appropriation is limited to the difference between their wages and the value of the results of their labour for the duration of their working time.

The fact is that both MLM operatives and formal sector workers are exploited because their labour produces profit for others. However, there are key differences in how their respective exploitation is organized. In the formal sector, workers are directly paid by an employer, for whom they generate surplus and who has the power to terminate their employment. In MLM, it is different. Operatives have no direct wage-paying employers and are supposedly self-employed. Yet they transfer some (or even all) of their earnings up the hierarchical structure to the MMO, their shadow-employer. Operatives who support their MLM activities through work in the formal sector do not consider that they are in double jeopardy resulting from exploitation in both the formal

sector work with which they support their MLM work. Their desire to achieve economic success keeps them malleable.

Immigrant operatives see their ventures into MLM as simply their own way of navigating the difficult situation they find themselves in when faced with work that does not reflect their credentials. However, in doing so, they ease themselves into an even less sustainable situation of straddling two employment situations, mostly because they did not closely examine the MLM system before joining. This is further compounded by their ignoring of both negative reports about MLM and complaints from those within their networks whom they target for recruits. Their bid to escape precarious employment in the formal sector leads them to manipulation and further exploitation in MLM in ways that is unrecognized and unappreciated while they remain active operatives. Even after exiting MLM due to constraints that make them unable to continue to straddle the two sectors, most still crave their unrealized economic independence and remain convinced that MLM works. To them, MLM's promises could be realized with increased labour and time inputs. Failure is thus largely attributable to their own lack of sufficient effort, and is not due to the system.

Through immigration policies such as the FSWP, the state supports the interests of MLM by creating conditions that prepare newly arriving immigrants for MLM's particular form of capitalist relationships. The case here is that the state's policy of playing host to carefully selected educated professionals without ensuring adequate labour market integration for them delivers scores of stranded and desperate individuals into the system of precarious employment. This exacerbates their disenfranchisement and prompts their search for an alternative in MLM. Despite scores of data that reflect

new immigrants' untenable conditions and acknowledgements by policy makers, the state's recruitment continues to involve skilled immigrants who end up as desperate members of the precariat (Standing 2011). Correspondingly, despite notable controversies and critiques (see Chapter 2), MLM continues to thrive in opposition to employment in the formal labour market and continues to both attract disenchanted formal sector workers and recycle those who are disenchanted with it back into formal employment. Either way, labour's disenfranchisement is unabated as state policies ensure the availability of newly incoming of workers for both sectors.

The continuing success of both the FSWP and MLM lies in the fact that despite having to accept work beneath their qualifications, immigrants continue to justify their decisions to migrate as rational. Despite their current unpleasant situation, they remain hopeful for improved opportunities in Canada, which to them simply lie out of reach for now. This abiding faith in the system sustains actions that favour capitalist activities and is maintained by ideologies that normalize and legitimize the MLM system.

5.4 SECTIONAL SUMMARY

This chapter focused on the complexity of actions of individuals in multicultural capitalist societies - such as Canada - who carry out transactions simultaneously across bonded action fields with distinct but overlapping and conflicting rationalities and standards of evaluation. The issue is how individuals and groups navigate and advance their interests across the distinct layers of value systems and forms of evaluation that moderate action without transgressing shared values and compromising their own legitimacy (Boltanski and Chiapello 2006; Barth 1981). In other words, how do individuals, programs such as the FSWP, and organizations such as MLM continue to

attract people without losing legitimacy in the complex situations of multiple and conflicting rationalities?

In an ethnography that sought to explain the practices and processes involved in aligning individual and organizational values, Pratt (2000b: 456) recorded an MLM event speaker as saying, “People say that we brainwash people. That’s true. We are talking about brain washing – to help make you all more positive people”. On the surface, the statement projects the image of hapless operatives bereft of agency and entrapped within an organization that successfully manipulates and transforms them into automatons. This may perhaps be the case - but only partially so, if at all. In relation to new immigrants and the events observed by this researcher, wherein similar statements so succinctly captured by Pratt were made, the argument that they are simply trying to make the most of the situation they find themselves in may be closer to reality. The works of Boltanski and Thévenot (1999) and Boltanski and Chiapello (2006) decry a one-way explanation. According to these authors, and in alignment with Barth’s (1981) framework of interaction mentioned in Chapter Two, the seeming passivity of the audiences observed by both Pratt and this researcher may be part of a continuous process of evaluation and legitimation through agreements, challenges, and the testing of principles that underlie the ongoing (MLM) relationship, transactions and expected outcomes. Thus, the seeming lack of reaction (as in overt protest or rejection) by the listeners may in fact indicate relationships of individual and collective agreement arrived at over (past) periods of seamless negotiations and resolutions of conflicts and disagreements, as discussed in Chapters Three and Four. Alternatively, it may also be

the purveyor of developing disagreements (Boltanski and Chiapello 2006) that are yet to surface or that have been temporarily silenced.

Boltanski and Thévenot (1999) demonstrated the processes by which people enter into relationships either as expressions of collective will or of negotiated individual interest premised on the principle of common knowledge and common good (which approximates Barth's notion of value), as defined by the specific sphere of activity. In the event of a failure to pass the tests of legitimacy, and depending on the strength of the challenge, the organizational (or individual) practices and principles will have to either transform in response to emergent pressures or lose authenticity. In the case of the MLM groups observed, loss of authenticity that will compromise membership profiles and profitability is always a possibility. That is why MLM groups require a constant and consistent reinforcement of principles, key talking points, and prestation through testimonials and other activities. For individual actors, the loss is potentially twofold, including specifically *loss of faith* and *loss of authenticity.*

Loss of faith usually occurs at the micro level, which will potentially result in exiting or abandoning the transactional relationship, as demonstrated by former and new operatives who respectively exited MLM work for formal sector work, or who abandoned formal work for MLM. It is also relevant to immigrants' faith in Canada as the authentic source of the prosperity they seek. However, unlike MLM, virtually all new immigrants interviewed retained faith in Canada as the authentic source of material advancement, despite their complaints about being disappointed. However, only one participant claimed to have lost faith and was actively planning to leave Canada.

Loss of authenticity occurs at both the micro (individual) and macro (organizational) levels and leads to a loss of faith that requires urgent but focused redefinitions or transformations to re-authenticate, re-legitimize, and re-ignite faith in (prestated) outcomes. Interestingly however, while loss of faith may be limited and contained within the orbit of the individual, loss of authenticity is systemic to the organization and requires transformation to re-authenticate. This is demonstrated by participants whose lack of material success in Canada or MLM invalidated neither Canada's viability nor the MLM system. In the case of Canada, they simply see their anticipated successes as delayed and MLM as just not the right fit for them at that point in time.

The MLM system counter-intuitively maintains authenticity both for former and current operatives in that both believe in the system and blame their failure to realize financial success on their own inability to better follow the system. Their inability to follow the system is in turn blamed for their need to subsist, which deprived them of time to devote to building their MLM businesses. They remain impervious to the fact that statistical evidence provided by industry analysts and the media assert the unlikelihood of achieving MLM's promise of wealth, a fact that is even supported by their own experience. Instead, they argue that 'if only' they could have persisted, they would have realized their dream of wealth; but practical exigencies jettisoned their ability to pursue their so-called dream. Some former and current operatives, whose levels of activity in MLM were, or are below par as designed by the system, express respective desires to return to MLM and increase their activity levels when they have their lives under sufficient control to include more focused participation.

These stances presented researchers who study the industry with a dilemma to explain continued participation. For example, Bhattacharya and Mehta (2001), as noted above, posited that the non-realization of the economic return was trumped by accruing social benefits, which though not a motivator at the onset, became the glue that elicits continued commitment. Following this argument, the explanation for former and current operatives' potential recommitting to MLM could be because of the social benefits derived from engagement in MLM.

The explanation by Pratt (2000ab) is that the commitment of MLM operatives is based on what he refers to as a process of calibrating and recalibrating their values, which, as discussed above, is a never-ending process. The strength and success of the processes is apparent in the re-echoing of the ideas and words used by speakers and presenters at observed events, and by participants during private interviews. What is also interesting is that, irrespective of the MLM organization observed, the terms used by operatives and event speakers to promote MLM remains the same. This points to events as both a source of MLM discourse, as well as a site for its reproduction. Buzzwords and phrases such as "climbing the corporate ladder" and "opportunity of a lifetime" etcetera (see Chapter Three) form the regular discourse of former and current operatives and events. Even non-operatives are aware of some of the language, having been recruitment targets as well. Operatives learn and use the discourse of the MLM industry. For example, portions of individual interviews were frequently reiterations of rhetoric heard at events. Indeed, for MLM operatives the idea of ascribing blame to themselves for their non-success, even in the face of contrary evidence from analysts and industry critics, is normal. While participants who are non-operatives that had

repeatedly declined to join MLM decry MLM as fraudulent and inauthentic, not one former or current operative considered MLM inauthentic. Negative reports were attributed to MLM's evil twin, Ponzi schemes, which interview participants point out are different from the real MLM. Alternatively, participants see the reports as generated by fraudulent MLM organizations or personnel, which differ from their own MLM organizations. As a way to understand this phenomenon, Gabbay and Leenders (2003) suggest that MLM officials use narratives to influence commitment. As evidenced by the testimonials discussed in Chapter Three, these provide operatives with evidence of the authenticity of the MLM system.

Taken together, these explanations capture the underlying ideological processes at play that prepare individuals for MLM, as well as the broader capitalist system within which it operates. As an integral element of this system, MLM is an exploitative way of accumulating capital without conflict and with the ardent collaboration of unwary operatives, conditioned by their precarious labour market experiences. MLM thus offers hope and an escape for those who have gained consciousness of their exploitation in the formal sector. This consciousness, however, relates only to themselves and to others who, as immigrants, have their credentials devalued by work in the formal sector. Their immigrant class-consciousness of inequity and exploitation does not unite them in resistance. As Theodore and Peck (1998) and Ross (2008) noted, it individuates them in their efforts to seek resolution to their exploitation. Thus, they see others such as Canadian-born workers and established immigrants who have succeeded as both providing competition and inspiration. Fellow immigrants in similar predicaments are also opponents that seek to harness advantage for themselves. As both a crutch and a

source of hope, MLM becomes a long-term way to pursue their desired lifestyle while remaining open to formal sector employment opportunities that correspond with their credentials. They remain impervious to manipulation and exploitation in MLM, whereby they acquiesce to their own exploitation through their participation. Their desire to escape their precarity and their hope for financial independence make them oblivious to their exploitation in MLM, even as it helps them cope with the overt exploitation they know they are experiencing in formal sector work, which provides both their subsistence income and the financial resources needed to fund their MLM enterprise.

The key feature of MLM is for operatives to grow and sustain their entrepreneurial enterprises through their personal network of relations. The next chapter focuses on how participants developed their networks as newcomers to a new society. Among other things, the next chapter also focuses on whether networks facilitate or hampered participants' integration into Canada.

NOTES

[1] As it turned out, I did leave my host behind after the main event because I did not want to participate in the other side activities, which involved increased familiarity with the group than necessary for the study.
[2] Although s/he was not present at the session s/he knew the leader featured in the testimonial.
[3] The not-so-subtle expectation of course, is that I will become so impressed as to avail myself of the proffered opportunity and register.
[4] See chapter 2
[5] As part of the expenses to run their business, each member pays a small fee for the use of the venue which also serves as their official business address and shared office space as required. Not all MLM operatives do this.
[6]This differs for the various MMOs. For instance, Amway requires its IBOs to pay an annual renewal fee of $67, Herbalife requires $107.12 CAD and Tupperware $6 monthly fee. These provide operatives with continuing access to company resources that help them grow their businesses.
[7] This is used as additional incentive for the MLM opportunity. The recruit is told that s/he will lose nothing as it could all be claimed back as business expense. However, this becomes positive if there are actual profits from which the said "expenses" may be deducted, not when there is negative balance.
[8] This relates to the ease of entry, which contrasts starkly with its "other" – i.e. the barrier-infused environment of formal sector. It evidences that the MLM promise is worth trying. The low-cost of entry also assures them that they have not much to lose if it turns out not to be authentic.
[9] This unleashes a yearning that accommodates MLM.

[10] The passions are the inbuilt notions of equity, equal opportunity, liberty, financial success, and love of family.
[11] These become the prestation – i.e. evidence of authenticity and tools of recruitment.
[12] That is, the original or a photocopy of it. Usually these initial cheques tend to be low in received monetary value, which increases their effectiveness as prestation's for operatives. They consider and compare the transition of the leader as the recipient of the low value cheque on display to his/her current earning capacity and status within the hierarchy of those within or close to the six-figure income earnings mark.
[13] UNECE. 2015. Handbook on Measuring Quality of Employment: A Statistical Framework. United Nations
[14] Boltanski and Chiapello's (2006) socialist and artistic critics are examples of such frameworks.
[15] The overarching hierarchical design has all operatives (uplines and downlines) as *pseudo-employees* of their allied MMOs. This is generally obscured, hence the mirage of independence. The overt hierarchy is the upline-downline structure within the main structural design. The tiered hierarchical structure thus enables the insidious exploitation of all operatives by MMOs concealed by the exploitation of downlines by their uplines (See Chapter Three).
[16] This is because it pays no wages and offers no benefits outside of commissions paid to an operative for personal sales in combination with the aggregate sales by his/her 's network of downlines,
[17]In all but one event attended, immigrants were overwhelmingly in the majority. However, this may be because of the location as observed events were mainly in the GTA.
[18]At least in the medium-term until practical economic and social obligations mandate moderated participation or attrition.
[19] This was one of the reasons that made her quit. She however continues to mull the idea of returning someday. It is possible that the interview revived some memories that increased that yearning.
[20] Her recruits remained part of the team that remained aligned to her erstwhile upline, however. The difference for these former downlines is that they will receive direct supervision from the upline or a surrogate assigned the task by the upline.
[21] Such as childcare, carpooling etcetera.
[22] A finance-based MLM.
[23] What was remarkable to me was the similarity of these participants' (a male and a female) interactions with their uplines despite the differences in their circumstances. First, they were not within the same social network, one was less than 10 years in Canada compared to the others whose landing was over 15 years earlier. They were also in different MLMs in different cities and dissimilar in age. Yet, their uplines acted similarly towards them.
[24] As observed, a couple of participants endeavor to conceal their waning enthusiasm from their peers and mentors to maintain some degree of worth.
[25] These are the trio of FSWP (representing the state), the formal sector and MLM.

CHAPTER 6

SOCIAL NETWORKS AND IMMIGRANT INTEGRATION

"We have a group … on 'Konnettapp[1]. … Email me a summary of what you want, and I will post it to our group on Konnettapp - you will get as many people for your interview as you want.... If I tell them I know you and I trust you, they will help you and they will contact you. Are you on Konnettapp?" I answered in the negative. Surprised, s/he paused, berated me for the oversight and continued: *"that's too bad. … Okay, just email me the summary and your email contact …."* Responding, I expressed discomfort about involving social media. S/he reassured me that group postings are private: *"it is by invitation only; only our members can access it. …we post things like this all the time …it's the way we help each other."* Fascinated, I inquired further about the 'things' they post on the medium. S/he stated, "*anything … maybe you want something - you know, maybe you know somebody who is looking for accommodation, somebody has vacancy and they want a good tenant – you know, maybe [at] your office they are hiring … you have something you need, something to sell, something to give away*… you post. *It's the way we spread the word to ourselves, you connect with everybody quickly… we are all busy people …; it is quick, it is easy … I tell you, it is very private. Only our members can see any of our postings to help each other. You have something, you hear something, you need something, you post it to the group. You don't need to call anyone one-by-one - who has time to call people like that? … I tell you, nobody has time for that anymore. …you post it, we see it, we respond, simple. …Not everybody, only if you are*

interested you call the person directly…." Expressing thanks, I declined the offer, pleading confidentiality and the need to ensure that decisions to participate are independent of pressure.

The account above is part of a conversation with a cooperative informant helping to locate MLM personnel for the qualitative interviews. The online group s/he alluded to is nested in a large ethnic association. Although some of its key members are also active in the large association, it operates by its own conventions independent of the 'parent' group. It is informal, more personal, and somewhat ethnically diffused in that not all its members affiliate with the 'parent' association from which it originated – hence the willingness to offer access to an outsider like me.

This chapter explores the role of social networks on immigrants' integration or lack thereof. It is appropriate to the study's focus on the relationship between immigrants' participation in MLM and their integration. This spotlight is considered pertinent because, as noted in scholarly literature (Greve and Salaff 2005; Hou & Picot 2003; Salaff et al. 2002) and as confirmed by the experiences of participants in Chapters Three and Four, when they are unable to access jobs that are aligned with their skills, immigrants do indeed turn to entrepreneurial activities such as MLM that offer low cost of entry. MLM is also particularly attractive because of its flexible business model that allows operatives to maintain other employment while at the same time growing their MLM businesses. The business model however, also requires the use of social relationships as key resources for achieving success (Koroth and Sarada 2012; Greve & Salaff 2005). Hence, advocates indicate a preference for the term "network marketing*"* - because it highlights the importance of relationships and carries no

negative connotations – rather than “multilevel marketing”, a less positive term that carries associations with pyramid and Ponzi schemes, which also have hierarchical structures but no viable product or service.

The concern in this study is that being relatively new to Canadian society, immigrants may not have developed the required depth and breadth of social relations to succeed in MLM. The purpose here, therefore, is to examine the impact of social relations and the networks immigrants belong to on their employment prospects in the formal sector, participation in MLM, and overall integration. The emphasis will be on homophilous ethnic-based relations since these are typically the ones new immigrants connect with on arrival in Canada (Hou 2007; Wong 2007; Greve & Salaff 2005). The principal aim is to identify whether and in what way(s) homophilous relations shape immigrants’ access to both MLM and to employment in the formal sector. Consequently, the chapter is organized into the following three sections. The first section is a brief discussion of social networks and their enabling potentials. Attention is placed on networks that new immigrants can access on arrival and subsequently develop in pursuit of economic integration. The second section focuses on MLM, which is an association of sorts. How participants obtained knowledge of and access to MLM, and the processes they employ to establish their MLM businesses through their networks are of interest in this section. The third section focuses on the relationships between the composition of immigrants’ networks and their access to employment opportunities in the formal sector. For enhanced access to information on relevant employment, the importance of social linkages beyond immediate ethnic communities is highlighted, and

a case is made for the cultivation of heterogeneous networks that include both weak and strong linkages to facilitate integration.

6.1 SOCIAL NETWORKS: WHAT THEY ARE

This section sets the stage for discussing the relationship between immigrant integration and social networks, which are defined here as the composite sets of direct and indirect connections that an individual has at any point in time (Kadushin 2012). These comprise formal and informal linkages that they develop within and beyond their immediate social environments as the product of short or long-term contacts and interactions. Connections may be inspired by proximity, similar interests, beliefs, needs or desires, and may be built upon voluntary or prescribed individual or group level interactions. Group level linkages, referred to as associations, may be formal or informal, and are formed within a larger social context by individuals who identify with the claims, limitations, objectives, and ideologies specific to the group (Owusu 2000). They serve needs and services identified by members while mitigating the isolation and powerlessness referenced by Tocqueville (1835/2004) as the inescapable outcomes of individualism and materialism that feature in a pure democracy. In addition, they provide information to newcomers about opportunities either in their respective workplaces or those they learn about through their individual informal networks. In general, associations also render vital financial assistance, such as interest free loans with flexible payments. Overall, they provide both critical support and socio-political pressure that help members access opportunities to satisfy economic, social, cultural or political needs (Owusu 2000). The online group on Konnettapp referenced above, and the main

ethnic association that it originated from, exemplify informal and formal associations respectively.

With variations shaped by their objectives and social contexts, formal associations typically have leadership committees, require payment of dues, and maintain regulations and declarations specific to their mission (Owusu 2000). Participation, interaction, and rendering of assistance adhere strictly to specified criteria, which make them less spontaneous and slower to respond to the emergent needs of individuals, as compared to informal networks based on similar linkages. This serves to encourage the formation of informal clusters of more closely linked individuals within the larger formal association to serve similar and more personal emergent needs of cluster members without reference to the umbrella formal network, as exemplified by the Konnettapp group. Unlike the formal ones, informal associations such as the Konnettapp online group do not compel participation in group activities, nor do they have standard meetings like their more formal group. Interactions in the Konnettapp group situation are essentially online and dyadic off-line transactions at the behest of individuals interested in specific transactions that have been posted. Their simpler rules of engagement engender flexibility for moderating their conventions and hence the willingness to grant access to an outsider. The formal (parent) association they are allied to is comprised of people from adjacent ethnic regions and requires membership fees, participation in various activities organized by the association and compliance with general regulations and rules of conduct. It also has strict protocols for admitting new members, along with a board of executives and committees[2] to manage different aspects of their affairs that report to the larger membership. Contingent on the approval

of the relevant committees and executives, the formal association provides support to members and holds periodic galas and fundraising activities to meet their acquired obligations. While the association also lobbies government in the political, economic, and socio-cultural interests of its members, the informal online group does not. Nor can it since it is not formally registered with the government. The online group is independent of their formal ethnic association even though most[3] of its own subscribers are also members of the larger association. In general, formal (and informal) associations sanction noted violations of their values, expectations, regulations, and trust through fines and short-term or permanent exclusions for serious infractions.

Study participants (i.e. immigrants) indicated they felt compelled to acquire memberships in formal associations and affiliate with informal ones to meet their social and economic needs upon arriving in Canada. This is particularly so with ethnic formal associations because their official and public recognition provides opportunities for collective influence in the larger society by which they are able to serve their members' personal and collective needs and interests in the political, economic, social, and cultural arenas (Tocqueville 1835/2004). Formal ethnic associations serve as platforms for personal and informal group level interactions that extend beyond the principal association. Informal groups do not typically advocate or engage the external society on behalf of members. Opportunistically, involvement is typically to procure specific within-group individual advantages through interactions with others in the group. In relation to this study, membership within associations provides social supports and interactions that mitigate the potential isolation faced by new immigrants in a new environment, which also provides opportunities for needed economic transactions.

Among the study participants, membership within homophilous ethnic and religious associations varied, comprising those new to Canada and those who have been in Canada for longer periods, which aligns with studies on immigrants' tendency to stay close to those from their groups and enclaves (Hou 2007; Ingram and 2007; Greve and Salaff's 2003). However, in his study among Ghanaian immigrants in Toronto, Owusu (2000) claimed that newcomers with shorter periods of residence (1-3 years) were more likely to belong to an ethnic association.[4] According to Owusu, for short-term residents, associations[5] were the means to settlement at the initial stages of their sojourn in Toronto as these helped them deal with some of their practical social and economic needs. Conversely, the appeal of ethnic associations diminishes for long-term residents, who tend to have improved economic situations and to rely on relatively well-established-networks to meet their needs. Hence, they boycott ethnic associations for which they have fewer needs, claiming time pressures and other commitments as reasons for their diminishing participation. While this study did not specifically examine associations nor sample any ethnic group's membership, interactions and observations undertaken in this study nevertheless establish that membership in homophilous groups is not a function of length of residency in Canada. Study participants' residency in Canada ranged from less than three years to an average of 16 years across diverse ethnic groups and they all maintain homophilous ties along ethnic and religious lines. The groups served them in their initial settlement projects and continued to play important roles in their desire to be established and to mitigate isolation. This is akin to findings by Greve and Salaff (2005, 2003) and Lin (1999) in their ethnographic and case studies among Chinese immigrants. For example, Samson, who has obtained

citizenship status, maintains active membership in an ethno-religious association that helps new arrivals with accommodation, jobs and other required assistance, including helping them deal with discrimination that they experience:

> We support … people that are arriving… [with] housing, warm clothes and help them settle down. We show them around and how to get job. … People at my … (place of worship), they help us find housing around here so we can be near the … (place of worship). … He (an ethnic friend) helped me with a job.

The assistance received through ethnic and religious associations was clearly helpful to immigrants' settlement processes. They fostered relationships of trust and dependence (social capital) that ultimately steered immigrant study participants towards MLM and made them more amenable to joining. For example, like most study participants introduced to MLM by ethnic group members, the trust that Samson (above) had for his ethnic recruiter facilitated his participation in MLM. However, after several years in MLM, he concluded that it was not viable for him personally and he left. Yet, he retains no ill feeling towards the recruiter. The shared empathy over their unsatisfactory experiences as immigrants and the subsequent affirmation experienced in formal and informal associations also tend to make MLM seem welcoming and a non-ethnic extension of their ethnic relations. This impression is also facilitated by the camaraderie and rhetoric about team support in MLM discussed in Chapter Three. As also highlighted in Chapter Four, the influence of ethnic associations is quite notable in the fact that population characteristics of some MLM groups and chapters typically show prevalence of specific ethnic groups, which indicates that their main recruiting sites are ethnic ties, associations and enclaves. The influence ethnic group members have over their counterparts is fostered by the strength of the social capital they possess.

6.1.1 Social Capital and Networking in Social Networks

Social capital is a resource embedded at any point in time in an individual's composite sets of relationships or social networks to be accessed and expended judiciously to advance a need or purpose (Boissevain 1974). Kadushin (2012:6) defines social capital as "networked resources that you do not own, but to which you have access through your friends and acquaintances." For Greve and Salaff (2003), social capital encompasses the set of connections that help people get a job, establish a firm, and attain other specific goals. Emphasizing the element of the individual not only in its use but also in its composition, Lin (1999) declares social capital as composed of personal resources owned and disposed of by the individual at will, as well as social or "borrowed" resources accessed through ties formed in networks. In general, social capital thus allows the individual to create and exploit opportunities by accessing or combining the resources of contacts with their own resources. Hence, the sum and strength of social capital available to an individual at any point in time is determined by the composition of the social networks allied to the subject's position(s) in the network, along with the banked or unused balance therein[6] (Boissevain 1974). Since immigrant participants' selection as economic immigrants evaluated-and clearly affirmed the value of their human capital (personal resources) in relation to the Canadian economy, the view is that the reasons for their poor integration into the formal labour market is related to their networking and acquired social capital. Lin's (1999:467) review of existing studies that traced the theoretical foundations of social resource theory declared that a relationship exists "between embedded resources in social networks and socio-economic attainment". Moreover, social capital as a social resource is accessed and

attained through one's location in social networks and this enhances the chances of improving one's status.

All other variables remaining constant, this indicates that new immigrants' placement in Canadian society can be partly attributed to the social connections that they acquire on arrival. Usually, these are dense ethnic (or religious) networks, which insulate them unwittingly from the larger potentially useful linkages (Greve and Salaff 2003; Owusu 2000; Wong 2000). Buttressing this point with the case of Ghanaians in Toronto, Owusu (2000:1165) noted, "as Ghanaian immigrants come to Toronto, they concentrate in particular neighbourhoods and even specific buildings due to the channelling effects of chain migration and the reliance on friends and relatives in the housing search process". This concentration also aids access to ethnic associations and contributes to a tendency to concentrate social interaction within the ensuing ties as protection against discrimination from the larger society (Galabuzi 2006; Greve and Salaff 2003). As also established in this study, ethnic networks forged through associations and personal interactions in ethnic enclaves foster unity and social interaction between and among new arrivals and existing immigrant communities. They assist members in obtaining employment and housing that are conducive to their economic capabilities, as well as clothing and various information on life in Canada. For housing, they may help by advancing rent, or even by providing accommodation in cases where members can ill afford one. Sometimes a group may share accommodation until such a time that they can each respectively afford to buy or rent on their own. More than any other homophilous group encountered in this study, an ethno-religious community's habit (as declared by one of its leaders) is to provide

accommodation for new arrivals until they can afford their own housing. In general, any assistance participants receive that extended beyond arrival and initial settlement tends to be delivered by their ethnic and religious homophilous linkages, whose members continue to look out for them long after friends and familial relations have gone their way.

In his book, "*Friends of Friends*" (1974), Boissevain detailed the importance of nurturing social capital in one's network, as well as expanding it through investments in networking, reciprocity and management by judicious use. Formal and informal connections to individuals and groups become the social capital resource by which new immigrants can access required assistance and opportunities for effective economic and social integration into the host society. For them therefore, the effectiveness or use-value of their social capital resides not so much in the volume of connections they have (though important) as in the quality and variations in such connections, which must be strategically cultivated on the basis of present, emergent, and projected future requirements (Salaff and Greve 2003). Social capital may be enhanced by cultivating variations in social networks through networking (*Ibid*; Kadushin 2012; Boissevain 1974). In appreciation of this fact, according to Kadushin (2012), contemporary society has elevated 'networking' to the standard term to describe intentional activity undertaken to cultivate and expand one's social network and its embedded capital. Though more contemporaneously acknowledged as a socio-economic necessity in Canada, networking has been, and remains a cultivated art and part of the Sicilian culture detailed by Boissevain (1974).

Networking for newly arriving immigrants is contained within their early relationships on arrival, which typically comprise familial, ethnic, and religious groups. These provide network expansion opportunities for new in-group and external connections. Unwittingly however, many immigrant arrivals fixate on cultivating in-group connections, which do not enhance the essential and useful variations in their networks that could, perhaps, positively impact their integration into the larger society. As such, the use-value of the social capital they have inadvertently acquired by the direct and indirect linkages that can potentially generate useful opportunities for employment and integration remains untapped. Participants instinctively cultivate linkages with "*people like* [themselves]" because of the ease of interaction that it affords. This is not surprising in that immigrant ethnic associations in Canada are the response to perceived limitations[7] and collective needs based on religion, country of origin, or the more specific village, tribe and language or dialect (Kmec 2007; Tocqueville 2004/1835; Greve and Salaff 2003; Owusu 2000; Wong 2000). They provide new immigrants with a basis of familiar relationships and interactions to help them integrate more easily into the host country through direct provision of services and information, to access basic necessities such as housing, jobs, childcare, and so on. They enable immigrant groups to organize themselves specifically to optimize their individual and collective interests in the host society (Owusu 2000).

In the context of this study, the term *ethnic social networks* refers to formal and informal linkages that are based on ethnicity,[8] race, and family ties that encompass Canada and immigrants' countries of origin. As mentioned earlier, on arrival, participants received personal and corporate assistance from religious organizations

and members of their respective ethnic groups, with whom they formed linkages that are more permanent. They claimed that their associations with formal and informal ethnic networks helped forge linkages to other non-ethnic networks based on other criteria, such as profession, geography, and work, including MLM. Feelings of gratitude and obligation convince immigrant targets to attend their ethnic recruiters' MLM events, which as seen in Chapter 3 could be very persuasive, especially in trust situations (Gabbay and Leenders 2003). Typically, attending such MLM events draw participants to the sense of community and empathy on display among operatives (see Chapter 3), which is reminiscent of their own experiences in their immigrant associations. Additionally, MLM's appeal is enhanced by rhetoric, principles and promises that seem to empathize with immigrants' marginalization, and that provide a pathway for immigrants to improve their status and attain prosperity. Thus, MLM becomes perceived as a natural extension or credible transition of the positive experiences in their ethnic associations and one that will provide a pathway for the realization of their aspirations.

During fieldwork, I accepted an invitation to an event organized by an ethnic association for the sole purpose of connecting with potential participants for qualitative interviews. In addition to helping new immigrant arrivals with their immediate settlement needs, this ethnic association also raises money for emergent needs and projects identified in their country of origin. The function to which I was invited was a fundraiser that permitted attendance by outsiders willing to buy tickets and donate towards their cause. I bought a ticket and participated in competitions meant to raise money. Most importantly, I was able to meet potential participants and to secure an invitation to attend an MLM function as an observer from an informal network entrenched within the

formal ethnic group. Thus, although not a member of said community, attending the function provided linkages that facilitated access to other (informal and formal) events within and external to that group that would otherwise not have been possible. I intentionally sought association with the group and benefitted from the linkages that the interactions provided (Kadushin 2012).

6.2 SOCIAL NETWORKS AND MLM

As the starting point, the story of a participant with the pseudonym Veronica will lend clarity to this section, which centres on the role of social networks in facilitating engagement in MLM. Veronica's experiences are not unique to her in that her experiences in their generality are typical for the majority of those who carry out marketing and recruiting transactions in MLM. Indeed, most current and ex-operatives can certainly identify and empathize with Veronica's story. As such, her story, which is presented in what follows, serves as a useful point of reference.

Veronica and her family arrived in Canada about two decades ago. Their hope was to benefit from the peace, prosperity, and safety in Canada. While her spouse worked numerous survival jobs, Veronica remained at home with their children for a couple of years before she started her own job search. Unlike her husband and most other immigrants around her, however, Veronica soon obtained an office job through a casual acquaintance with a Canadian friend outside her family's usual network of relationships. She had met this friend at the park where she often took her children to play. She has worked steadily with the company over the years and earns a comparatively good income, along with paid vacations and health benefits, which allows the family a more comfortable lifestyle than many of their immigrant peers.

Nevertheless, Veronica's life is frenetically consumed by her job, and increasingly so over the last few years. This is because her workplace has progressively rationalized departments and downsized personnel without equivalent modifications in workload. This means that those who survive these rationalizations must pick up the extra work or risk becoming targets in the next wave of cuts. Veronica's co-workers are palpably apprehensive about their job security and while, unlike them, she acts calm, she too is concerned, especially because her husband's return to school for certification makes her the family's main income earner. Since the loss of employment will hurt her family, Veronica makes sure to keep on top of her burgeoning workload by continuously working outside her regular work hours, including on weekends.

Veronica joined MLM seven years ago after she finally accepted a co-worker's persistent invitation to attend an "information session" that is really a camouflage for recruiting. For Veronica, MLM's key attraction is that she could maintain her full-time employment and gradually "build a side business of [her] own", achieve financial independence, and "get to quit [her] job when [she] want[s] to". Veronica said, "I feel [MLM] is something I can easily do and combine with my job[9]." She was optimistic that she (and her spouse) could access potential recruits and buyers through their networks of "many friends", neighbours, and co-workers. Enthusiastically, she invested as much time and income as she could muster into her MLM "side business" because she wanted to accelerate her growth. Her business grew rapidly. She ascended the MLM hierarchy and in her region became an example of success through commitment and diligence in following the MLM system. Though highly stressed, Veronica was exhilarated and motivated by the conviction that the strain of managing both her side-

business and formal sector employment was temporary and necessary for the desired financial autonomy that will allow her quit her job to be her own person. Unexpectedly, however, and like experiences recounted by some other MLM operatives, her thriving business flat-lined because, in her opinion, her ethnic community did not provide the necessary support she anticipated, despite her active engagement therein. Veronica was particularly irked that her "community wasted [her] time" by stringing her along with feigned interest because, as they later told her, "they did not want to offend" her. At the time of the interview, she was still upset and bitter. She had also curtailed her MLM business activities in the interim both because of the let-down by her ethnic network and the heightened workload at her salaried employment[10]. Nevertheless, she retains her belief in the MLM dream and its system, to which she expects to return more actively and, hopefully, recruit the few (necessary) unique "superstar downlines"[11] that will help advance her dream. Then, she will no longer depend mainly on her community members who let her down, but will try to branch out by recruiting at public places like malls. She had tried to accelerate the growth of her business so she could give up the job she does not enjoy, but ended up alienating the community members who had inadvertently alienated her. She continued to express anger and disappointment that they "wasted [her] time" and deceived her with the excuse that they are "thinking about it" and then "disappeared" with her samples without the anticipated purchase or registration. She claims her annoyance is not so much because they did not register or purchase anything, but that they were not upfront with her.[12] She feels that the decline of her business and resultant drop in status in the MLM hierarchy merely delayed her success. Typically, she did not attribute this to MLM's inauthenticity. To her, the

declining fortunes of her business are traceable to her community members' lack of appreciation for the "high quality" products she markets on behalf of the MLM company she represents. She opined that they were simply too poor to appreciate the high value in her products and were too deceptive[13] to say so.

Veronica's MLM dilemma is in some ways similar to Sharice's. Unlike Veronica, Sharice decided to source recruits outside her immediate network rather than risk alienating her community members. Although she did not alienate her friends, Sharice too is not generating sufficient income from her business, which, unlike Veronica's, has yet to even 'take-off'. Yet Sharice too remains in MLM, hoping for business growth through so-called superstar downlines.

An important concern in this study is that, unlike native Canadians who have developed deep-rooted social networks and allied social capital over the years, new immigrants' social resources are insufficient for success in MLM. They therefore need to work harder to generate the depth and breadth of social resources necessary for effectiveness in MLM. Experientially, while immigrant participants came to this understanding in their job searches, as the following excerpt from two (current and former) operatives show, they do not consider their limited network linkages as possible limitations to their success in MLM. The first participant had expected to succeed in MLM despite her limited social connections. She eventually exited MLM when her efforts yielded no success:

> I applied to other [i.e. non-survival] jobs – application process is so long. When you apply without knowing any person, you will not be taken. I was told that I was overqualified – I was told to dumb-down my resume and I did, and I was not still taken.

Despite recognizing the limitations of her immediate networks in her job search effort, Shirley, the participant below expects success in MLM through her immediate network, which is composed mainly of ethnic immigrants, one of which had introduced her to the MLM business and who serves as her upline. She did not connect that potential success in MLM also requires what she calls a "strong connection base" through indirect connections removed from her immediate ones. She remains in MLM, but with minimal activity. She continues to hope for success:

> I did a HR course in Canada to get a HR designation. I also got a teacher's license. My experience is that without a strong connection base, you can't get a decent job. I was fortunate. I applied. A friend of a friend of a friend of a friend helped me. If I didn't know her, I would not get it.

The reason for this is multifaceted. It may primarily reside in the fact that while formal sector employment barriers seem insurmountable simply by the historical and perennial commonality among immigrants, testimonials about MLM convinces them that they have sufficient linkages on which to build their businesses. To think otherwise is presented as being bereft of ambition and love of family (see Chapter Three). Building on their frustration with marginalization and precarious employment or unemployment in the formal sector, and their sense of powerlessness, MLM rhetoric encourages new immigrants to "use what they have". MLM helps them believe they can manage their autonomy and relationships to "change their destiny" by becoming business owners. Veronica's experience, like those of some other operatives, attests to the facilitating role of social networks in gaining access to paid employment in the formal sector and in achieving success in MLM. Being more accomplished and established than most of her other immigrant peers, Veronica felt confident that she had a sufficiently large social network to succeed in MLM. Her connections, however, lacked the required income to

meet her expectation of “support”. She had argued that her community members are okay with “bargain products” and could not appreciate the higher quality and allied costs of the products she markets. She also suggested that they were unwilling to disclose this to her. Although she ultimately attributes their conduct largely to their challenging economic status, she however felt that they ought to have behaved differently to support her. In her opinion, they could have: (a) sufficiently managed their finances to purchase products they were not averse to sampling; (b) signed-up as operatives to improve their finances; (c) been upfront with her so she could more judiciously expend her energy elsewhere; and (d) not taken advantage of the free samples she bought with her own funds.

Clearly, Veronica’s so-called large network did not sustain her MLM work, notwithstanding her declared active involvement in her community. The fact is that the sets of linkages she relied on for success comprised largely of less established immigrants experiencing economic difficulties, which limited their ability to be as supportive as she expected. Realistically, Veronica required some effective direct or indirect connections beyond her immediate network that include more financially stable native-born Canadians or established immigrants. She could have accessed these through her indirect and weak ties, as noted by Boissevain (1974) and Granovetter (1983). Her focus was, however, more on the visible network that she felt was obligated to her. Considering that, many years earlier, her access to her relatively good job was facilitated by a casual acquaintance ought to have educated her on the possibilities that abound in weak and indirect connections. However, she found it easier to pursue familiar linkages and rely on their obligations to her. Why is that?

Like Veronica, most MLM operatives interviewed for this study, including those who are native-born Canadians, also defaulted to the familiar - "people like [them]" - as easier targets "to approach" because they are likely to be more trusting. Like her, they also defaulted to relying more on their immediate networks of community members for buyers and recruits to advance their businesses. For example, Joseph recruited by his ethnic friend in their community admitted in the excerpt below that while he does not limit recruiting or marketing to his immediate homophilous connections, he targets the familiar within and outside his immediate community because they are more receptive to him. Thus, even when he seeks out potential recruits outside his immediate networks at fast-food restaurants, coffee shops and shopping malls, he finds recruiting easier and more successful when his potential recruits are, as he says, "people like me". Even at his children's school, he also targets those that are similar to him in terms of racial, ethnic, and geographic background:

> You talk to people like you: The truth is that if you approach someone from your area, they feel more comfortable to listen to you, they can trust you – you know how to approach them and what to say that they will understand you better.…

6.2.1 MLM and Social Networks

The importance of social networks to MLM cannot be over-emphasized, especially seeing as how the MLM business model is structured on relationships. Indeed, MLM's success and continuing existence thrives on the effective management and use of networks by individual operatives to achieve their goal of economic autonomy. Introductions to MLM were made through individuals in operatives' networks who capitalized on their relationships and knowledge of operatives' challenges to make the

case for MLM's potential as a solution to their problems. For Monica, it was her loss of employment:

> I got downsized and let go … A friend of mine, she knew how to handle money and just bought a house for $1.2 million. … She knew what was happening and called me up and we talked. I already told her …. she came to the house and showed me the business. She brought a … (title of MLM person) to show me the plan.

For Joyce, a mother with young children, it was based on flexibility and trust:

> Friends in my community introduced me. They said it was a good business and I can be independent and work in my own time. …the money to join was little but I had to work hard to recruit and sell.

Ultimately, while some recruits remained as operatives, others exited MLM. For example, though they were both recruited by their respective social communities, the eventual outcomes for Monica – who remained in MLM - and Joyce – who exited - differed. Those who resisted recruitment recounted multiple attempts made by persistent friends, relatives, neighbours, and co-workers, who unrelentingly attempted to recruit or sell them something. Indeed, as indicated in Chapter Four, most operatives, including the two participants above, claimed to have capitulated to repetitive attempts by the recruiters in their networks.

At MLM events, operatives are told that all forms of connections matter, irrespective of distance, duration, density, or strength. As new recruits, operatives are encouraged to list, evaluate, and categorize all relationships as far back as they can remember, irrespective of the effect of time and space on such connections (see Chapter Three). The final step, which categorizes the generated list by variables such as proximity, type, and strength of relationship in relation to time and space, becomes the operational strategy for managing and effectively utilizing the identified connections. However, although operatives, particularly new recruits, are told to see everyone in their

immediate and distant orbits as rich resources with which to grow their new entrepreneurial ventures through the marketing and sale of the affiliate products and the business model itself (recruiting), the advice is to always begin within their most proximate orbits. Doing so is commended as a neighbourly service of liberation, for which operatives receive justifiable[14] compensation in the form of commissions, which advance their businesses.

The requirement to start from the immediate social sphere pivots on the subjective need to take advantage of the inherent loyalty and credibility resident in those relationships. The rhetoric that is regularly presented is that those in one's immediate sphere of influence may be more easily persuaded to trust and "support", and may feel obligated to undertake the proffered transactions with someone they know by buying the products or services, and possibly registering as downlines. The result will be growth of their MLM business. Operatives will then be more likely to be persuaded to increase their commitment to MLM by investing more resources (time and income) in recruiting, marketing, and selling. As seen in Chapter Three and similar to Veronica's experience, this is often the euphoric scenario at the onset before the eventual let-down when an operator's downlines begin to exhibit disenchantment with unfulfilled expectations by either quitting or becoming less active, and when those in his/her social networks become evasive. While non-users recount their loathing of being hounded by their acquaintances, friends, and relatives for support by joining or purchasing affiliated products and services, some ex-operatives expressed regret for the relentless pressure they exerted on their friends and relatives. One very articulately lamented her regret, stating, "I ran hard ...we lost friends".

Some operatives admitted that rather than “bother” those in their networks, they decided “to grow” their businesses outside their networks after becoming aware of the aversion of those within their networks to attempts to recruit or sell them products. This, however, has not done their businesses any good. Indeed, a few no longer recruit. Instead, they concentrate on buying allied products or services for themselves and marketing and selling to those who demonstrate interest. They proclaim strong dislike to becoming pariahs in their networks, which is Veronica’s situation. They generally credit their lack of success in MLM to this decision because strangers and casual acquaintances are less trusting and willing to support their businesses. They thus find themselves in the conundrum of being unable to ask for support from those in their main networks, whose support they believe they require to succeed.

As was evident at both MLM events and during discussions with participants, the notion of “support” features prominently in presentations. The respective groups within the MLM system is presented as a support team for member operatives that is akin to a familial community. For example, operatives can supposedly “access” and then get “support” from mentors, uplines, and fellow operatives for their business enterprises. The idea of support confers the notion of relevance on uplines, mentors and the entire “system” for the success of compliant operatives. Hence, it is emphasized that operatives need to maintain close contacts with their uplines, mentors and their home-groups or chapters by regular attendance of meetings and events. Among other things, attendance of events is considered an important way that in compliance with the system, operatives can be “supported” and “pumped-up” by learning from successful people. The testimonials and rhetoric of hope encourage operatives, limit attrition, and

sustain membership in MLM. Notably, the nature of the so-called supportive role performed by mentors and uplines for their downlines is individuated, vague, and determined by the parties (mentee and mentor) involved. This sometimes creates internalized tensions that inhibit downlines' activity levels and incur upline and mentors' displeasure with their downlines and mentees. For example, participants who are upline-mentors privately accuse some of their downlines as lazy, too dependent, and not sufficiently serious. The opposing private narrative of some downlines is that their upline-mentors are not sufficiently helpful and are at times abrasive or bossy. The later was a strongly held complaint that culminated in the movement of a participant to a competing MLM group to start-over. In principle and for the most part however, upline-mentors support operatives by: (a) helping to train their new recruits; (b) helping with downlines' in-home parties aimed at marketing and selling products, and demonstrating and presenting the "opportunity", as discussed in Chapter Four; (c) motivating and providing ideas on how to grow the business;[15] (d) helping with transportation; and (e) for a few, even assisting with childcare. However, these activities are really for the benefit of upline-mentors in that they facilitate the delivery of composite sales targets. The downline-mentees only get their own sales, plus those of their own downlines if they have any. Hence, while upline-mentors might have balanced ledgers and earn reasonable income, their downline-mentees in relation to their own aggregate sales might be unable to attain balance despite the support provided by their uplines/mentors. This process was discussed extensively in Chapter Three.

The notion of support is a very viable concept in MLM conversations and is used to promote compliance and commitment to the system, which reduces attrition. It is the

basic starting rhetoric employed by operatives, especially new recruits, as an emotional cudgel to elicit sales and recruits from their social networks. Indeed, recruits learn to exploit the strong social need and obligations that people have to maintain relationships, which in this case meant helping them grow their businesses. This becomes a source of conflict for operators and those in their networks who eventually tire of being pressured. Notably, despite identifying me as a researcher, a few operatives yet contacted me after their interview asking for "support". In testimonials, presentations and talks at events, the worth of relationships is often said to be the measure by which they "support" operatives' businesses, through buying, registering, or sending referrals their way. The "successful people" in testimonials and events maintain that part of their success strategy was their single-minded focus on growing their businesses, which necessitated removing distractions, including ignoring or not relating with those in their networks who opposed their businesses overtly, or who failed to support them. Thus, they encourage listeners to do the same so they too can "reach [their] full potential" and attain the enviable financial independence they seek.

Operatives typically appeal to the sense of obligation, loyalty, and goodwill within their networks with the aim to obtain sales and new recruits while leaving relationships intact and mutually beneficial. The benefit for new recruits and buyers is relief at avoiding strained relationships and (hopefully) satisfaction with their registration and purchases. The recruiter acquires new sales and recruits and avoids resentment and emotional strains from rejection[16]. Ultimately, relationships potentially become strengthened by buyers and recruits' respective appreciation for the products and services and the enlightenment that allows them work towards achieving financial

independence. This, however, was not the case with participants, who lost friends and alienated those in their core networks who were initially supportive but who left when the promised financial benefits showed no sign of occurring. Certainly, in Veronica's situation the support was insufficient and unsustainable for her business. Rather than strengthening her relationships, there was mutual alienation. Nonetheless, the advice to start with, and rely on the support of core relations, and then work outward within their networks is effective because it provides the initial success that provides encouragement for new recruits to remain in MLM. Study participants in MLM were variously recruited by their relatives, co-workers, and ethnic or religious affiliates, who used either or both tropes of "support" (for the operative) and "helping" (to enlighten potential recruits) to obtain acquiescence. A typical situation is outlined in the example below, where Shirley registered for MLM following an appeal from a friend in her immigrant community:

> She said she has a new business that is going to make her rich and that she is doing training with her upline who is teaching her how she can make big money. …She asked me to support her in her training. … She said it is a great opportunity and that she will bring her trainer to come to tell me about it as part of her training. She said that this is her upline and he is training her. I agreed and they came. I listened and it made sense to me. I asked many questions. They were able to answer them; I decided to join them, and I registered.

Within and outside their so-called communities, operatives regularly engage in networking as part of their business-building marketing, selling, and recruiting activities. A current male operative stated that "if you want to be successful, you have to be in the business-building mind-frame always, constantly networking … opening your mouth and constantly talking about your business". Apart from this being the attitude expected of operators in general, the eerie similarity of this operative's assertion to the utterance of

a native-born Canadian operator in a totally different MLM product category attests to the universality of this attitude and practice. Thus, operatives interact in their social networks and communities to sell and recruit for their MLM businesses. They also interact with people at shopping malls and retail stores to invite them to their so-called information sessions. Martha, an ex-operative, lamented at being so caught-up with building her business that she saw all occasions, including family ones, as opportunities to sell and recruit. Two senior MLM operatives interviewed claimed to teach their team of downline-mentees how to network and they themselves routinely network outside their environments to meet new people and expand their network bases for acquiring new recruits. As such, they attend private and public programs related to local professional associations, as well as religious, educational, municipal, and individual events, with the intention to meet people and facilitate purchases of their products and services and to acquire more recruits. They also organize community programs as networking opportunities to market, sell and recruit new operatives.

6.2.2 Effects of MLM on Social Network

Participants see their immediate networks as the main resource to grow their MLM businesses, although some also attempt to expand their network bases outward. It is important therefore, to examine the impact MLM has on both the characteristics and dynamics of their networks. Based on the experiences recounted by interview participants, operatives' exploitation of their networks for their MLM businesses has negative effects. First, by focusing on what is familiar to them, operatives limit the expansion of their networking beyond the homophilous. This is because their incessant need to recruit and sell draws them to targets perceived as easy, who are usually

“people like [them]”. Evaluating her past activities in MLM, ex-operative Martha regrettably declared that she came to a point where relationships and people “carry the dollar sign”. They simply become a means to an end. She learned to evaluate and dismiss acquaintances and strangers based on her swift assessment of their potential contribution to her business and the ease of recruiting or selling to them. To her and other operatives, time is of essence and is not to be wasted on contacts that are unlikely to be economically beneficial. Some current operatives (and informants), including native-born Canadians, exhibited this attitude, which is the mindset promoted at MLM events and in the testimonials. Therefore, while some do expand their recruiting outside their ethnic or immigrant networks, these attempts, even if successful, do no facilitate integration into Canadian society in terms of obtaining relevant employment in the formal labour market. This is because the focus of such networking is not for the purpose of integration, but rather for building their MLM businesses. Secondly, those who are successfully recruited learn to also use and expand their own networks solely for the purpose of their MLM businesses. Thirdly, their recruiting, marketing and sales activities often alienate their targets, who then avoid them, as the case of Veronica typically illustrated.

Thus, they compromise existing relationships and virtually jettison ties that may present potential and future use-values towards their economic integration. Finally, for as long as they remain caught up in the cycle of recruiting, selling, and business growth, they are not adding value to their social capital that could potentially help with their economic integration. Instead, they burn up their (limited) resource of goodwill (social capital) which Boissevain (1974) cautions against doing. Also, by not varying their stock

of relationships, they curtail potential information necessary for access to future employment in the formal sector. Notably, ex-operatives are happy to be earning regular (if insufficient) income in regular employment, despite expressions of regret that they exited MLM.

6.3 THE IMPORTANCE AND LIMITATIONS OF SOCIAL NETWORKS FOR INTEGRATION

From the foregoing, the two-pronged view is that the social networks individuals belong to affect their integration in terms of access to labour market opportunities and their capacities to grow their MLM businesses. Consequently, how individuals develop, manage, and apply the social capital stemming from their networks matters (Boissevain 1974). For this reason, scholars' (Kadushin 2012; Kmec 2007; Greve and Salaff 2003; Lin 1999; Boissevain 1974; Granovetter 1983) exploration of the enabling characteristics of networks from the various angles of their structure, complexities, and strength is considered here in relation to participants' integration and their experiences in MLM. The impact of social networks on the migratory, settlement and integration processes in Canada has garnered significant interest, particularly as it relates to ethnic and transnational linkages (Salaff et al. 2007; Wong 2000). The importance of networks to immigrant economic integration is particularly relevant in this study by the fact that a high percentage - ranging from 75 percent to 95 percent - of employment opportunities is said to continue to reside in what is called the *hidden job market* (Asher 2011; Hansen 2008; Hansen 2000). These are jobs that are not advertised in the open job market through various media options or employment resource centres available to newcomer jobseekers. These so-called hidden jobs can usually be accessed only through the right networks and relevant bridges. This is significant for newcomers as

companies continue to use the long existing practice of employee referral processes to fill available positions (Asher 2011; Hansen 2008; Montgomery 1991)[17]. The fact that participants variously received referrals to both good and bad jobs through their networks attests to the significance of networks composition, management and allied linkages. For example, Shirley, like Veronica, also credited access to her good job to indirect linkages leading to and from her close network. Correspondingly, others such as Evett, as indicated below, agree that the lack of access to desired jobs is directly attributable to network compositions:

> The jobs in the GTA is hard to get. People grew up together, went to school together…. You know what is funny, I applied for a job at the Canadian Revenue Agency. When I came, they called for the interview. They had a test … appraising where I scored. They wanted level 1, level 2, level 3. I didn't get any level. I was shortlisted but they didn't give me the job – they brought in someone they knew.

It thus seemed then that as both past and more recent scholars have noted, the extent to which new immigrants are able to widen their circle of contacts and build up their social networks over time will shape their access to relevant employment, which will then aid their integration (Hum and Simpson 2004). Montgomery's (1991) decades-old study that explored the importance of employee referral programs, buttresses the long-standing veracity of this fact. In his study, he developed a model that simulated a social structure that explains why workers who are well connected (in that they possess social ties with those in high paying jobs) might fare better than those who are poorly connected. By extension, his study and the experiences of Evett, Veronica and Shirley demonstrates that new immigrants will, and do fare better in their job searches if they are well-connected, notwithstanding prejudices against their credentials. However, if connections are mainly or, only along racial, ethnic, and familial lines, their chances of

upward mobility will be reduced as fellow ethnic linkages will most likely be subjects of similar barriers, something that study participants discovered. Thus, the ability to scale employment hurdles that confront immigrants would seem to correlate with the quality of their social networks allied to variations therein. Again, Veronica's particularly unique experience illustrates this. She obtained the pertinent information and help from a weak contact that got her a good job shortly after she started looking for a job unlike others who remained unsuccessful in their job-search endeavours because they lacked critical information and contacts.

Study participants generally claimed that their homophilous ties were not only significant in their settlement processes on arrival in Canada, they had continued to be relevant to their overall life as immigrants in Canada. They claimed to generally find it easier to interact with "people like [themselves]" in social, MLM-related and job-search activities. This disposition is not new, as the proclivity of new immigrants to settle and remain in Canadian cities that provide them with homophilous networks is well documented. Nonetheless, as participants' experiences discussed above reveal, focus and reliance on homophilous ties hinders adequate economic integration of new immigrants into the formal labour market, as well as their economic advancement in MLM. Mollica and Trevino's (2003:123) study of first year MBA students, which examined the "formation and persistence of homophilous, or same-race, friendship ties among racial minorities and whites in a 'newcomer's setting'", revealed that the tendency of newcomers to gravitate towards people of similar racial and ethnic features is common across all racial and ethnic groups in the context of the newcomer experience. Their findings reveal the presence of homophilous tendencies among all

racial groups when they are newcomers, but especially among the non-white minority African-Americans and Hispanics. This is relevant because non-white groups form the bulk of both contemporary immigrant composition in Canada, as well as study participants, as detailed in Chapters Three and Four. This has implications for the nation's homophilous tendencies, especially in light of labour market barriers that confront new immigrants. Within the context of Canada's multiculturalism, minority groups have additional reasons to gravitate towards similar others both as a form of personal need for affirmation, and to express solidarity and pride in their cultural heritage.

During data collection, the influence of homophilous ties in MLM was apparent. Apart from the regional ones, events attended were in the main part homophilous in composition. This is expected since MLM promotes the use of social networks for developing, growing, and perpetuating MLM business enterprises. So, operatives recruit from within their networks, starting from their core relations. If newcomers gravitate to homophilous ties by default, it follows that linkages leading to and from these will most likely be homophilous in character. Like Veronica, some current and ex-operatives attribute their difficulties and ineffectiveness in MLM (which led some to quit) to the fact that people in their respective networks are mainly minorities plagued by the same challenges and dearth of disposable income.

Even when they can break out of low-income, survival jobs as Veronica discovered, focusing on homophilous relations in their MLM activities limits their success even as it restricts possible exposure to non-homophilous linkages that may also be useful. Research (Asher 2011; Hanson 2008) shows that to access non-

homophilous linkages requires purposeful effort, persistence, and willingness to explore opportunities and take risks. This is because those deemed “outsiders” will usually lack the sense of loyalty and support of homophilous relations, which though easily exploited, facilitate limited integration and economic growth in MLM and the formal labour market. Notably, while not advocating neglecting or even abandoning ethnic linkages in the active pursuit of outsiders, there is a need to purposefully seek and nurture external linkages that could be established through more familiar ethnic relationships. Also, independent of ethnic linkages, participants and new immigrants in general will be well served to further develop new linkages through networking to forge essential bridges to other levels of social network access and mobility. Although some current and past operatives claimed to be engaged in networking, this was usually for the purpose of either recruiting people into their business or selling allied products and services. As observed, some operatives have been able to reach outside their homophilous networks, as revealed by the different ethnic profiles of their recruits. These were recruited as co-workers, neighbours, or as strangers intercepted in public places.

Interestingly, although study participants reiterated readiness to seek opportunities for material advancement, such readiness seemed to be limited to job-searches, volunteering, internships, and further training. It did not factor in intentionally expanding their networks outside homophilous formal and informal networks. Conversations with some participants tended to indicate that expansion of this nature may not be for lack of desire or effort, but may be due to fear of rejection and lack of success. Veronica and two other participants independently lamented that immigrants

from other ethno-racial groups have the required social and economic cohesion to help each other, unlike those from their respective groups. Veronica claimed that unlike many others in her community, she supports her community members and new arrivals. As indicated above, studies reveal that immigrants who have been in Canada for a while but who have not garnered sufficient social capital to make a difference to others or themselves usually maintain close ties with ethnic associations (Greve and Salaff 2005, 2003; Owusu 2000). Like Veronica, they need to increase their social capital by varying the composition of their social networks outside their homophilous relations. Notably, Owusu's (2000) assertion discussed above that those with good-to-moderate integration tend to move away from the Ghanaian group, claiming time and work pressure as excuses, may not always be the case. In this study, those who have "good-to-moderate integration" did continue to maintain close ties with their ethnic associations. This is because of the social and economic benefits they derive, as was evidenced by Veronica's case, by two informants who were gatekeepers, as well as some others that were observed at ethnic-based and MLM events. In this study, clearly, the good-to-moderately established immigrant participants, informants and others like them continue to maintain close links to their ethnic groups because of beneficial transactional opportunities, a point also noted by Greve and Salaff (2005) in their study of Chinese immigrants. One such factor is that close relations with homophilous association or ethnic enclaves provide clientele for ethnic small business owners. Based on past generosity and her popularity among her community members, Veronica had expected patronage from her community members for her MLM business. However, this was not the case. This can be attributed to the differences between MLM and formal

sector entrepreneurial businesses, and their respective expectations from those in their networks. For the regular small business owner, the expected transaction is simply to exchange services and products of value for a fee. For Veronica's MLM business, the expectation also includes an ongoing (life) commitment of resources through registration, which modifies the lives of network members. Being more straightforward, transactional responses to the regular small business owners remain direct, at the behest of members and repeated as needed. Typically, such transactions tend to be initiated without MLM's hallmark high pressure solicitations. Conversely, Veronica's conflated expectation invites less direct responses, as discussed above. She found out that expecting ongoing commitments from recruits to work without wages and/or defined financial benefits tests ethnic and network loyalties within the context of limited income and social capital. It also seemed to cast doubt on the value of the related products and services she peddled and expected her recruits to buy and/or market and sell.

Veronica's case can be contrasted with Shane's who, alongside her MLM business, runs a small store in a busy part of the city. While in her store, I noticed that most of her customers shared her ethnic origin. Acknowledging my observation, she said this is because they trust her. Interestingly, she does not try to recruit her customers into MLM due to concerns that she might scare them off. Thus, while Shane recognised the potential negative effect of hounding her ethnic group members for patronage of her MLM business, Veronica did not. Importantly the fact that she preferred to retain the patronage of her co-ethnic peers for her mainstream business indicates her limited confidence in the MLM prosperity rhetoric.

The question thus becomes whether ethnic networks can and do help their immigrant members' integration. As evidenced through this study, they do. The issue is whether the quality of assistance rendered is sufficient to help the new immigrant jobseeker obtain suitable regular employment, or to help the aspiring MLM worker move up the hierarchy to achieve the economic prosperity they seek. The point here is that while ethnic associations serve their members' integration in a somewhat limited way through the various forms of assistance they render, the question becomes: to what extent do they enable integration in the direction of attaining parity (Li 2001) in employment and earnings with native-born workers in similar employment and equivalent education and skill sets?

Participants and their familial and network members have ongoing experiences of performing low-skilled, low-paid precarious jobs that undermine their skills. But they often find themselves powerless to do anything to alter their situation, despite the presence of a few "lucky" ones like Veronica and Shirley. The potential for ethnic associations to foster integration is moderated by how members use their membership and why they even retain membership. If, as Owusu (2000) indicated, the appeal of ethnic relations diminishes over time for those whose residential location and principal occupational interests come to lie outside ethnic framework, such as wealthy business persons, professionals and intellectuals, the ability of homophilous ethnic relations to assist those less fortunate among them diminishes. This is because the absence of successful members limits the availability of linkages to good jobs or potential bridges to external linkages that could assist member jobseekers. This also hinders sales of products and services by MLM operatives because of community members' low levels

of disposable income. The result is a situation where ethnic networks serve emotional, as well as some economic and social support needs of immigrants, but are unable to help their integration in terms of obtaining good employment and enhanced income. Thus far, ethnic associations could be said to have done what they are able to do, which is to be their brethren's keepers. Yet, this does not satisfy participants' motivation for coming to Canada. Their expectations of prosperity remain unrealized. This is because homophilous relations between people in similarly dire situations cannot help overcome the barriers that they all experience in Canada (Galabuzi 2006). They need an in-flow of external information to break the gridlock of what can be called "a group in itself". This is because homophilous ties based on ethnicity within a larger social context seem to constrain more than enable.

6.4 Conclusion

The social networks immigrants belong to influence their level of integration in relation to their capacities to access employment in the formal labour market or success in MLM. The character of the homophilous networks newcomers entrench themselves in on arrival in Canada determines the activities that aid or inhibit their access to employment that will facilitate integration. Participants consider it critical to adjust to new ways of doing things, to blend in, to foster interaction with others in the society, and to access relevant facilities that will help them integrate. For one participant, this involved obtaining oral language proficiency and for participants in general, it involved a post-landing understanding of social and cultural expectations and norms discussed in Chapter Four. On arrival, the majority were mostly able to secure survival jobs at the

negative extreme of the precarious job continuum identified by Vosko (2006). These are also the forms of employment most accessible to members of the homophilous linkages that received and aided them as new arrivals, and to which, encouraged by Canada's multiculturalism among other factors, they remain attached. Since these precarious jobs are also the ones usually advertised and open to new immigrants irrespective of credentials, participants find their choices doubly curtailed mainly by the endemic credential biases and the limitations of their associations. Ironically, the fact that medium and long-term immigrant arrivals had (or are still currently) engaged in such jobs makes these jobs tolerable to newcomers, who optimistically consider them as transient. However, the majority remain in the supposedly transient jobs because movement to more appropriate jobs is not only related to their technical knowledge, but also to other factors. These include: (a) their level of understanding of the way-things-work, for which they require non-homophilous inputs; (b) the availability of and access to jobs aligned to their credentials; and (c) access to relevant Canadian resources such as internship and volunteer opportunities, which themselves will facilitate access to employment opportunities.

In this regard, the importance of non-homophilous social networks cannot be overemphasized at both their early stages of settlement in Canada and, increasingly, over the longer term. This is because even where new immigrants gain experience and skills over time, and learn to adjust to Canadian society and workplaces, these in and of themselves are insufficient to advance their upward mobility into suitable employment in the absence of networks that will aid in this process.

In Canada, the untenable conditions of reception that immigrants contend with draw them into homophilous networks and ultimately MLM, which both reinforce their existing networks and deprive them of the opportunity to develop non-homophilous networks to enhance their integration process. As an association of sorts, the pathway to MLM is eased by its seeming similarity to formal and informal homophilous associations that are a crucial resource for newly arriving immigrants. To immigrants who are used to participating in formal and informal homophilous associations, MLM, in its unique way, seems to exhibit the positive features of such linkages, which, among other factors, probably makes it more acceptable once they become recipients of its persuasive information pitch. Like ethnic associations that help mitigate their isolation and exclusion while providing them with the sense of affirmation within their network linkages, MLM also welcomes and affirms individuals willing to align with the system. Like informal associations, entry is voluntary and openly focused on personal benefits. Like formal associations however, MLM also assuages their isolation as well as the sense of powerlessness made palpable by their experiences of discrimination in the formal labour market, and in their social interactions in Canadian society in general. More importantly, MLM gives them hope that their dream of ‘making-it’, dashed by unwarranted and unexpected discrimination against their credentials, can finally become their reality.

Thus far, we can surmise that the failure of Canadian multiculturalism to facilitate integration into the formal labour market ultimately produces a pathway to MLM. For a nation that is constantly dealing with the daunting challenge of forging social cohesion and promoting civic and economic inclusion amongst the diversity of its citizenry,

internal fragmentation among incoming diverse populations will eventually erode what gains had been made and discontents may escalate with increasing population of diverse disadvantaged groups. Clearly, instead of facilitating social cohesion and integration into the labour market, Canada's multiculturalism seems to have somewhat created a 'retreat to one's ethnic corner', which creates an eventual pathway to MLM, which in turn reinforces ethnic relations. Thus, even while marginalization and precarious employment that most had not expected when moving to Canada has not yet produced widespread dissent, this should not be seen to indicate passivity or acceptance of the status quo by the minority groups that have perennially contended with unequal treatment. As Boltanski and Thevenot's (1999) tests of justification indicates, Canada as a nation could one day be taken to task for not living up to its multicultural policy and its charter of minority rights, and this could precipitate fragmentation. As a nation that prides itself on its diversity and inclusiveness, leaving integration to homophilous ties in Canada diminishes and even sabotages efforts at cohesion.

Notes

[1] A pseudonym for an established social-media platform. Though the platform is well established and is perhaps also used by other groups for similar purpose, a pseudonym for the platform is considered appropriate here to protect the informant and her group's identity. She was an asset in establishing connections to the larger ethnic group but was not interviewed since she did not meet all the criteria.
[2] The invitation to attend the association's event was by a member of the organizing committee after consultations with others.
[3] This is merely an assumption from my interactions and discussions as I did not inquire about the percentage of their online group members that also belong to the large or parent organization.
[4] Her random sample of Ghanaians in Toronto established that 82% of residents who have been in Toronto for one-three years belonged to a Ghanaian association compared to only 15% of those who have been in residence for more than 10 years – and these are more or less likely to be there for leadership purposes (p. 1169) reserved for long-term immigrants. Also according to Owusu (2000), those with low income and less than college or university education were more likely to belong to associations than those with moderate or high incomes and education.
[5] Ghanaian associations fragment by tribe, kinship, language, town or village linkages.
[6] This refers to social capital that an individual has acquired but intentionally refrains from using until a truly expedient time. Boissevan (1974) cautions that social capital, like monetary capital, ought to be

accumulated and sparingly employed to enhance and maintain high value impact. Based on knowledge of interactions within Sicilian culture, for him relationships are transactional and based on notions akin to Barth's (1981) reciprocity and value maintained by prestations.

[7] Galabuzi's book (2006) elaborated on the limitations and marginality of minority which include immigrants as did commentaries on the 2011 census by Hudson (2015).

[8] Sometimes, this intertwines with religious practices. In all but one case, the basis of association is ethnicity. Religion is secondary. In the one instance that religion served as the primary basis of association: (a) members had similar cultural and ethnic profiles, the slight geographic variations in their places of origin elevated their religious profiles; (b) they declared their need to maintain the *purity* of their beliefs against perceived possible corruption; (c) a member of the group also hinted at discriminations against their religious leanings. Hence, they prefer to live near each other and their place(s) of worship. They also receive new arrivals and provide accommodations for them. However, I did not attend their meetings and only spoke with two members of the group, one of which participated in the study.

[9] Incidentally, this seems to be a common refrain by a few others (including native-Canadians) who have relatively good jobs before joining MLM. It is an argument routinely supplied by MLM.

[10] The initial success in MLM encouraged her to allocate less of her unpaid time to her regular employment, which she transferred instead to building her MLM enterprise. Now that the prospects of imminent departure from her regular work has dimmed, she reverted to spending more unpaid time on her formal work and less on MLM.

[11] Participants are always on the lookout to recruit "superstar" downlines whose energy and industry will help launch their enterprises to sustainable expectations of financial rewards.

[12] While some took samples from her without purchasing or registering and then avoided her, those that did become operatives were not sufficiently active to make much difference to her aggregate sales volume.

[13] It is interesting that being aware of their limited economic capabilities she still expected them to purchase the products and register as operatives. She truly saw them as lacking ambition.

[14] Earnings are presented as incidental to the altruism of helping people. Justifiably therefore, they are deserved. The emphasized claim, which ironically is frequently contradicted thereafter, is that "helping people" or "educating people" is the real motivation and not earnings. This, of course, is not true as pecuniary motivations continue to be the proffered invitation and declared reason for joining.

[15] The specifics of these ideas and special knowledge are undisclosed or undefined by upline-mentors interviewed.

[16] Usually however, operatives are told not to take rejection personally but to simply move to the next target.

[17] A few participants frustratingly noted that this has led to some ethnic groups being over-represented in some employment categories open to new immigrants.

CHAPTER 7

CONCLUSION

The aim of this dissertation was to determine whether a connection exists between immigrants' entrepreneurship in MLM and their integration in the formal labour market. This includes identifying whether immigrants' venture into MLM is attributable to frustration arising from discrimination against their imported credentials that blocks their access to commensurate jobs in the formal labour market. The dissertation also sought to understand whether MLM is, or could be, an alternate route for immigrant economic integration. The key issues considered were the principles and practices of MLM itself, as well as the settlement environment that immigrants confront when they arrive in Canada. With respect to MLM, this primarily relates to the fact that it has no standard wages and pays commission only on the aggregate outputs of its worker-operatives. It also does not reimburse or compensate for expenses incurred by operatives as they generate sales. This means operatives fund their own work, bear the costs of non-success and inadvertently fund MLM's growth. This is the regrettable position of most[1] current MLM participant-operatives, who continue to fund their MLM work without commensurate income. In addition, by actively requiring its operatives to generate sales volume through their social networks as resource inputs, MLM normalizes merchandising relationships, conflating social and economic interactions between MLM operatives and those in their networks. As found in this research, this led to breakdowns in relationships for participants as the lines blurred between their economic goals and social interactions. For the MLM operatives who participated in this study, their

newcomer status in Canada hampered their ability to generate viable relationships to support their MLM operations. Being mainly homophilous and comprised mainly of immigrants in similar social and economic situations, their network of relationships lacked economic strength. This continued to limit their ability to earn sufficient revenue to cover their operational expenses. It also adversely affected their integration into formal employment that was not predominantly precarious, low-skilled, low-income, and involving manual labour. Conversely, the view that native-born Canadians' status in the country affords them the advantage of having sufficiently viable social networks for success in MLM vis-a-vis immigrants turns out to be a complicated assumption. Factually, while the few native-born Canadian participants claimed to have large, stable, and deep-rooted social linkages, they tend to be less aggressive than immigrant participants in accessing their connections for economic benefit in MLM. Consequently, they too mostly lack success in MLM.

Overall, the data collected through this research clearly supports the assertions of past studies (Salaff et al. 2002; Li 2000ab) that immigrants' venture into entrepreneurship, including MLM, is related to their limited integration in the formal labour market owing to discrimination against their imported skills. Although participants were generally active in the labour force at the time of interview, lamentably, most had not integrated into the labour market in accordance with the skills they held upon arrival, despite having been in Canada for up to a decade and a half on average. Participants have continued to engage in low-skilled precarious jobs that belie their credentials and long residency in Canada, and seemed to have given up on expecting their imported credentials to serve them well in the labour market. In their job-searches, they even

moderated their expectations in response to the ongoing lack of recognition of their skills. The common objective in their job-search efforts was therefore, not so much to immediately secure a job commensurate with their credentials, which they realized was likely unattainable in the short term, but for access to some form of employment that would permit progressive advancement and ultimately lead to a job that would match their qualifications. In other words, participants were, and (some) are still open to entry-level jobs aligned to their imported skill sets as pathways to a better position eventually.

Overall, however, this has not been the outcome, despite efforts at retraining and volunteer and unpaid internship strategies. Notwithstanding various compromises to their material, physical and mental well-being, participants persevere and accept their respective circumstances because of their desire to embed their families in Canada. Ultimately, for the majority, their initial survival jobs became either permanent, or the first of other survival jobs, as their hopes of eventually obtaining jobs aligned with their imported skills waned. Coming to terms with the fact that, like many immigrants around them, their expectation to benefit by their contribution to the economy through their imported skill sets might not materialize, they were persuaded to see MLM as a possible route to attain their dream of economic success. Interestingly, the few that accessed 'good' jobs in the formal labour market through "good fortune", retraining, or rising through the ranks in their workplaces, also joined MLM to escape their constant fear of losing their employment, as well as the stress brought on by work intensification. Paradoxically, their uncommon status and fear of joining the unfortunate majority still engaged in low-income jobs, became their motivation to join MLM, whereas for native-born Canadians, the fear of losing status and work stress were primary reasons for

joining. Thus, immigrants' recourse to MLM can only in part be attributed to blocked access to commensurate jobs and consistent search for better sources of livelihood. Given that their needs for survival income provoked their acceptance of survival jobs against the backdrop of their frequently expressed desire for prosperity, their decision to join MLM with its unstable and unsustainable remuneration and working conditions is paradoxical and complex. Even more curious is that while current operatives stay on, operatives who have exited MLM for employment in the formal sector express longing to revisit MLM in future, even though majority did not achieve their expectations therein.

MLM exhibits enhanced characteristics of forms of precarious employment found in the formal labour market and participants acknowledged that they do not earn enough commission to subsist on earnings from MLM. The instability of income from MLM results from it being based on aggregate sales volumes that depend on the performance of downlines, over whom there is no real control. Hence, upline-mentors resort to various tactics, some of which are unscrupulous, to obtain compliance from downlines to increase marketing activities and sales. Some operatives, both native-born and immigrants, experienced dramatic drops in earnings and also lost status in the MLM hierarchy because they could not maintain their outputs due to attrition in their networks, as well as their own life changes. Yet, they continue to understand their present situation simply as part of the process of growing a business.

The characteristics that make MLM a favourable alternative to formal sector employment include its principles of equality of opportunity, self-determination, and flexibility, whereby operatives do not have to choose between MLM and regular employment, but rather can engage in both. In an oddly symbiotic way, while earnings

from formal sector employment finance their continued participation in MLM, MLM's flexibility allows participation in both. As this study demonstrated, however, immigrant operatives find themselves in a situation of 'double jeopardy' when they do so, becoming caught in a cycle of precarity whereby they are exploited in both formal sector employment and MLM.

That MLM does not foster a pathway to integration for Canadian immigrants is clear from the findings of this dissertation. Instead, MLM delays immigrant integration because, as a placebo measure that produces and feeds on hope, it interferes with their integration. Specifically, those who left MLM for regular employment in the formal sector admitted that their intense focus on growing their MLM businesses delayed their entry into jobs (they now have) that offer higher regular revenue than they had in MLM. They feel they would have fared better in the formal sector if they had expended as much energy in their job-searches and the jobs they were able to secure. Yet, in the same breath, they express a desire to return to MLM in the future. For example, a participant credits MLM with helping him through his darkest periods of self-doubt and, though satisfied with his regular work, he has no wish to sever ties with MLM. In Chapter Three, he was documented as claiming to know what to do to earn $5000. Yet he does not do it. Why? For him and others, both current and former operatives, MLM seems to provide an indefinable safety net or security blanket. Again, while operatives' linear focus on manipulating their easily accessible homophilous networks to generate MLM income create alienation in their relationships, it blinds them also to the need to vary their network compositions which, perhaps, could potentially elicit the required intervention that

could enhance their integration into the formal sector. They needed to expand their connections outwards beyond homophilous ties to external linkages, possibly using their homophilous linkages as bridges. Then, their homophilous relationship can become part of their dense networks, while relations to outsiders can serve as the bridge, or the weak links that provide access to information from other clusters of dense networks not directly[2] connected to their homophilous relations.

The prevalence of females in MLM as attested to by the overwhelming 4:1 ratio of female to male participants for the qualitative interviews is serious cause for alarm. This trend was obvious in all but one of the dozen MLM events attended. The 82% females to 18% males ratio from the 2019 Direct Sellers Association (DSA) membership statistics confirms the accuracy of the sample outcome from this research. Established data that include the 2016 Canadian census and PEPSO (2015, 2013) surveys (see Chapter Two) have identified that females are disproportionally represented in precarious jobs vis-à-vis their male counterparts. They also earn 20% less than their male counterparts for the same job. While disheartening, it is therefore not unexpected that females would find MLM welcoming, since it mostly attracts people seeking equity and autonomy to escape the drudgery of precarious work in the formal labour market. MLM also holds an additional attraction for women because it allows them to effectively combine caregiving with earning an income. MLM recognizes this and hence it makes it part of recruitment narratives. The fact that females in the study are mainly immigrants reveals a double disadvantage due to the intersection of gender and immigrant

status. The prevailing gender gap in employment demands an urgent resolution to ensure equal opportunities and pay for women vis-à-vis men.

A concern arising from this research relates to the official Canadian multicultural policy that empowers people to maintain their cultural identities and at the same time foster a sense of belonging as Canadians. In this, Canada seems to have been successful according to the Minister of Immigration, Refugees and Citizenship Canada (IRCC), who reported to Parliament in 2019 that 92% of immigrants in a 2018 Annual Outcome Survey of settlement program clients claimed to have a somewhat/very strong sense of belonging to Canada[3]. It is however noteworthy that researchers maintain that the concept of 'sense of belonging' is complex, subjective and variable (Painter 2013). Results are said to be influenced by sampling, demographics, timing and wording of the question in terms of whether to use indicators or direct questions related to sense of belonging (Ibid). Accordingly, findings are inconsistent in that they vary depending on the data source. One qualitative study, for example, declared that high income individuals understand themselves as belonging to multiple communities through multiple institutional and organizational connections, and use their economic means to participate and invest in their broad community. By contrast, low income individuals define themselves as belonging to limited networks of friends and neighbours (Painter 2013:iii). Immigrant participants' focus on people like themselves, alongside their displeasure and distrust of fellow immigrants from other cultures in relation to formal sector employment, compromises the objective of multicultural policy. Indeed, this may be an early indication of a fractured sense of belonging. Thus, rather than cohesion

based on common belief in equal economic opportunities irrespective of cultural background, Canada's multiculturalism posture may be unwittingly creating the situation of a 'retreat to individual ethnic corners' where ethnic allegiance becomes, or is seen as, the primary basis for distribution of societal resources and advantages. Facilitated further by new immigrants' dependence on their ethnic linkages for social integration on arrival, the retreat into ethnic corners is not only reproduced, but may also lead to the expansion of ethnic favouritism and additional inequality that some participants claimed to have experienced in their job searches and workplaces. It also creates a pathway for MLM, which in turn reinforces ethnic segmentation.

Theoretical Implications

This study utilized a multifaceted framework of analyses to understand the choices and actions of study participants, particularly given that justifications for committing to any idea, organization, or movement are frequently characterized by complexities. As outlined in Chapter Two, this framework was constructed by combining the works of Tocqueville (1835/2004), Barth (1981), Boltanski and Chiapello (2006), Boltanski and Thevenot (1999), and Max Weber (1905/2002). This framework offered coherence and nuance in developing an understanding of the choices and actions of participants. Thus, this dissertation provides some key theoretical assertions.

The first of these relates to the action field. Tocqueville declared that the preference of equality over its twin passion, liberty, being rooted in self-interest, produces an excessive preoccupation with material prosperity, love of comfort, and

restlessness, with a focus on adequately exploiting opportunities. This provides the cultural backdrop for understanding the complex field of action and players that includes recent immigrants to Canada, MLM, and Canada's immigration policy, also accounting for discrimination embedded in the formal labour market. As a global phenomenon, the MLM system emerged and developed in the United States, from where it spread to Canada and beyond. The apparatus of democracy resident in the principles of equality and liberty provides for freedom and equivalence in association and opportunity, which is defined in the contemporary era as "the American Dream". This extends to Canada (perceived in many ways as sibling extension[4] of America) and could perhaps, be renamed as "the Canadian Dream". Originating and operating within this system of equality and liberty, the MLM system aligns its principles with the America-Canadian dream of equality and hope which, as Tocqueville puts it, "is everyday gaining ground in the human heart" everywhere (1835/2004:613). MLM's logic presents itself as the champion of equality and liberty, and therefore as a legitimate alternative to formal sector employment. However, while formal sector work is the preferred source of livelihood commonly desired by immigrants, it is also where they encounter discrimination that limits their access to the equality and liberty of the Canadian dream. Comparatively and justifiably therefore, the perception is that MLM work gains its worth through opposition to formal sector work, which it discredits.

Another key theoretical assertion relates to the issue of tests and critics. Capitalism as a system of production and distribution has periodically contended with emergent dominant challenges to its legitimacy at historical points in time for violating

the basic tenants of equality and liberty that undergird the democratic system. These are what Boltanski and Chiapello (2006) refer to as the 'artistic' and 'socialist' critiques. Under the former, capitalism is considered inauthentic and the source of oppression of workers in relation to autonomy and creativity. Under the latter, it is a source of inequality and poverty through its support for private interests and the destruction of social bonds. Immigrants, as well as the few native-born MLM participants, variously identify with these critiques. According to Boltanski and Chiapello, these critiques have had no adverse effects on the growth and expansion of capitalism itself because of capitalism's ability to transform[5] or reinvent itself to restore its legitimacy by alternating one critique as a solution against the current dominant other. They refer to this process as the *spirit of capitalism*, a terminology and process Weber (1905/2002) had identified, though in a markedly different context. According to Boltanski and Chiapello, the spirit of capitalism continues to support the advancement and commitment to capitalism. Nevertheless, though temporarily silenced, the embers of discontent and critiques simmer and gain ground until such a time that a set of criticisms, whether artistic or socialist, develop sufficient prominence as to become a source of challenge that triggers a transformation and re-legitimizes capitalism (Boltanski and Chiapello 2006). For MLM, the process is similar, yet notably different.

It is noteworthy that while capitalism periodically confronts emergent challenges that trigger transformations, no dominant criticism has emerged against MLM that is sufficiently prominent to challenge its legitimacy so as to require transformation to maintain its authenticity. This is because responses to contradictions that coalesce into criticisms and tests against MLM already form part of the rhetoric, principles, and logics

that authenticate and legitimate its ideology and serve to drive the system. This diminishes the strength, value, and impact of contradictions and critiques, which can then be dismissed as coming from so-called ignorant or un-ambitious individuals. Critiques from such individuals are effectively answered, at least from the perspective of MLM operatives, by MLM's system of logic and rhetoric. For example, the critique that MLM's market rationality encourages the commodification of relationships, which is often levied against MLM, is ameliorated by the counter discourse of altruism, wherein the motive of helping others justifies marketing and selling products, as well as recruiting downlines. In this way, the domestic test is applied to confirm MLM and to weaken the market-focused critique. Similarly, the respective critiques against MLM have corresponding justifications that weaken them. In this way, none of the critiques becomes sufficient to pose a serious threat to the authenticity of the system. The MLM system has therefore perfected the art of seamlessly fusing normally opposing rationalities to encourage commitment and loyalty and to deflect unfavourable opinions and actions. This capacity is a source of strength and indicates MLM's ability to generate exploitation that includes the full, but unwary, cooperation of the exploited.

The MLM system is uniquely composed of multiple but discrete systems of worth that circularly[6] and contextually interact to affirm one another to legitimate systemic actions and worth. A major point reiterated by Boltanski and Thévenot (1999) is that people exist, interact, and carry out transactions in multiplex systems of value serially, simultaneously, and in blended form. Normal social action, therefore, occurs within a framework of complex value options requiring their own specific system of equivalence. According to Boltanski and Thévenot, the fact that a specific action may produce

different effects or feedback from parallel systems of value is a complexity that the social actor learns to grapple with by understanding and identifying the relevant spheres of potential action and their operating logics. In this way, actions, reactions, and counteractions could be largely predictable, with the cost of misjudgements and risk of losing authenticity minimized within an array of prestation, reciprocity, and value (Barth 1981). Increased complexities arise when actions, organizations, and activities encompass more than one sphere of value and a need to blend two or more spheres emerges. Successful blending or combining of two or more systems of worth and their justifications have high potential for enlisting stronger commitment than any discrete system of worth. This is particularly the case, as presented by Weber (1905/2002), when the emergent discourse is composed of orders of worth whose systems of evaluation are dialectically opposed. Weber established how activities that promote the accumulation of capital, which is a preoccupation of market and industrial logics, became rationalized as a calling and therefore the sign of devotion and acceptance by God, which is itself a preoccupation of the inspirational logic. Thus, while embracing some of the logics of equivalence within the industrial and market rationalities in terms of work ethics and accumulation of capital, the Calvinists maintained their worth and inspirational value through their ascetic lifestyles and associations.

The MLM system can be seen, in some ways, as a contemporary corollary of Weber's spirit of capitalism because its system of equivalence and justification is a blend of multiple orders of worth. For example, although not stereotypically identified with any particular religion, MLM promotes, duplicates and enhances the spiritual but rational message of rebirth through self-empowerment (Cahn 2006; Kong 2002), which

aligns with the American-Canadian Dream that elevates the achievability of individuals' dreams and inspires tenacity to attain these dreams. As demonstrated in this dissertation, the inspirational logic is a major tool in MLM's recruiting and socializing processes. Depending on the context of recruitment and transaction among operatives, this fuses with one or two other logics (market, domestic, civic or fame) and is underpinned by the logic of standardization, which translates to conformity to the MLM system as a means to achieve success.

Thus, much like the person of worth in Boltanski and Chiapello's (2006) inspirational rationality is expected to assert personal uniqueness and ownership of liberating knowledge that is hidden from outsiders, the MLM operative is told that proselytizing (selling and recruiting) benefits others. Here, the monetary outcome is minimized though not negated, while recruiting and selling are presented as demonstrating neighbourly responsibility. The logic of inspiration blends with civic and domestic logics and serves to answer criticisms regarding the commodification of relationships. This serves the market rationality. The rhetoric also draws on the market and fame logics. Hence in MLM testimonials, the (vulgar) display of wealth through conspicuous consumption becomes a merit to inspire commitment and positive action, which serves the MLM system. Curiously however, the very fact that MLM is a part of the capitalist system is occluded by rhetoric of equality, liberty, and empowerment. As highlighted by Tocqueville, because positive consequences of equality are more instantaneous and the negative consequences more obscure, MLM has yet to be perceived to be a part of that which it condemns.

Final Remarks and Policy Recommendations

Overall, what does this mean for immigrants' hope of integration through MLM? Focusing on what attracts immigrants to MLM reveals a push-pull alignment between their marginalization in the formal labour market (*the push*), and the justifications MLM employs to promote its viability (*the pull*). While discrediting the formal sector, the push-pull logic makes joining MLM seem rational and empowering, notwithstanding the fact that its key features such as compensation, claims of enabling financial autonomy and support for operatives and their entrepreneurial efforts are fluid[7] and without accountability (Kong 2002). Despite unfulfilled economic aspirations, MLM mostly invokes strong loyalty from current and some former operatives. Beyond the unsatisfactory economic outcomes experienced by both current and former operatives that led to the latter's rather regretful departure and the former's expectant 'not-there-yet' attitude, MLM provides a safe space of acceptance and community for both groups of operatives, which fills a desperate need held by new immigrants. The promise of security is the core attraction to MLM. Security for MLM participants resides in financial freedom that would make work a choice but not a necessity. Like Weber's Calvinists, for whom industry became an unending cycle of accumulating more and more capital as an end in itself, MLM operators become so embroiled in the MLM community and way of life that they lose sight of their initial project of acquiring wealth, even though this continues to elude them.

Participants' feelings towards MLM parallel their feelings towards Canada. Notwithstanding the disappointment that results from systemic discrimination experienced by immigrants, participants remain grateful for the opportunity to relocate to Canada and simply aim to find how to make their own way, despite ongoing obstacles.

Similarly, despite not making much, if any, income from their MLM businesses, participants blame their outcomes on their own poor stewardship rather than the MLM system itself. For them, MLM remains authentic for "those who are serious". If they have not yet succeeded, it is because they have not been sufficiently[8] serious. The testimonials and their interactions with self-styled millionaires at MLM events remain convincing for most former and all current operatives, even though their own experiences negate the outcomes the testimonials suggest. Again, this is because MLM has harmoniously blended paradoxical experiences through rhetoric to nullify or diminish the negative impacts on operatives.

It is of interest that so-called 'established'[9] immigrants are attracted to MLM too. Does this mean that their integration is delayed or partial? Although they are classified as 'established', they have less or even no access to possible aids available to newcomers and are possibly embarrassed to ask for assistance. Therefore, they become the unidentified or concealed immigrant precariat (see Standing 2011). They have become a forgotten group in that they are considered 'integrated" and no longer eligible to receive further newcomer assistance from settlement services or supports from immigrant networks, as the focus shifts to new arrivals who then begin the cycle anew. In his 2019 report to Parliament, the IRCC Minister declared that:

> Between 2012 and 2016, rates of employment for economic class principal applicants 5 years after they landed in Canada have exceeded the Canadian average by at least 13%. Moreover, for this same cohort, at least 53% have enjoyed employment earnings at or above the Canadian average 5 years after landing.[10]

However, questions must be asked about the quality of workforce integration that the Minister celebrates. The data that is celebrated by the Minister[11] is based on IRCC's

program inventory. It is notable that one of such programs is the job search program for newcomers that directed Susan, an experienced accountant, to a retail job that had no bearing to her skill. Though they constitute statistical measures for that program's success, Susan and others like her wallow in precarity while the program maintains its standing. Despite the Minister's pronouncement to Parliament and various policy initiatives (such as funding for various types of settlement and credential services and equity programs) aimed at minimizing and eventually resolving immigrant under/un-employment, Susan's story is not unique as she has company among fellow participants, and for that matter among the lager immigrant population as as indicated by participants as well as recent studies (Cornelissen and Turcotte 2020; Green et al. 2016). Notably, some study participants have resided in Canada for two decades and yet they are still engaged in survival jobs. They seemed to have given up hope because delayed skill transfer has made their imported skills obsolete, despite their so-called Canadian experience. It does seem that for immigrants, the so-called Canadian experience presents limited value for economic integration towards parity or fairness if it is acquired through survival jobs that have no bearing on their credentials or skills. It seems not to have helped in their transition.

One thing that was apparent in all the interviews was that participants, Canadian and immigrants, simply want decent lives. For them, this means earning sufficient income to pay their bills, meet their financial obligations to their families and "have something set aside for a rainy day". For them, a decent living does not mean living in a mansion or driving expensive cars, despite the MLM testimonials and narratives that

continue to showcase such rewards. Rather, it means being able to pay their mortgages and bills and not living “from paycheque to paycheque”, as they often stated.

Despite stories and videos of opulent lifestyles shown to those being recruited and to members, most MLM operatives do not start off aspiring to achieve that level of opulence. They simply want the assurance that they can achieve a modicum of financial success that will remove anxiety or precarity from their lives. The opulent narratives offer hope that their comparatively modest financial aspirations are attainable. The willingness to continue with MLM seems to be because it presents the only viable pathway to long-term benefits. Immigrants, as exemplified by study participants, do know how to endure. Notably, and as established in Chapter Four, except for one individual, no other participant considered the idea of returning to their country of origin. In the face of uncertainty in formal sector work, where loyalty and long service are discounted and hard work is rewarded even less, MLM offers an attractive opportunity for participants, that is until the bubble bursts. When it did for interview participants, some simply gave up in pursuit of other financial avenues of survival. Those still engaged in MLM tenaciously cling to the hope that their situation will improve one day. This is the hope that new Canadian immigrants have in Canada: that their situation will improve and that they will eventually ‘make-it’. Sadly, decades after landing in the proverbial ‘land of milk and honey’, some immigrants still wait for their now-obsolete credentials to be recognized and to be integrated into fields that they may have lost touch with due to years of non-engagement. Meanwhile, they remain trapped in precarity in MLM, the formal labour market, or both.

The policies and settlement processes introduced to help immigrants obtain employment do not seem to get to the heart of the problem, which is caused primarily by an over-abundance of labour supply relative to available jobs, which leaves workers in a weakened position vis-à-vis employers. The second issue is the devaluation of foreign credentials, which is really the capitalist way of managing the situation in a way that disadvantages new immigrants in particular, and workers in general. It also advantages policymakers who cannot afford to alienate Canadian citizens by allowing workers with foreign credentials access to available 'good' jobs, particularly as Statistics Canada has continuously shown the latter to be typically better educated than their native-born counterparts. Hence, since policymakers are able to facilitate the steady influx of cheap labour in the form of recent immigrants who take up the extreme forms of precarious employment, they see no pressing need for real and effective change. Instead, despite decrying the plight of skilled immigrants, policymakers continue to propose and execute policies that perpetuate the status quo without effective resolution of the underlying problems.

Immigrants' move to Canada and into associations such as MLM is in keeping with the natural yearnings of individuals to improve their circumstances. The questions then are whether they did improve their circumstances, to what extent, and at what cost? Evidence from this research is that new immigrants' expectations to advance their extant conditions remain unmet. However, they remain hopeful and, indeed, positive about their own futures, as well as those of their families. This hope keeps them active in MLM or survival jobs, or both. We can conclude that immigrants manage the hand they are dealt, though this often leads them into paths of precarity.

There is therefore, urgent need for action to restore dignity to immigrants. Irrespective of their classification – whether recently arrived or established - the trajectory remains the same. Policies and funding are needed to effectively help new arrivals. Career and human resource centres that help new arrivals with job search activities, offer advice, assist in making linkages and facilitate internships clearly need revamping because they are not effectively harnessing the human capital of newly arriving immigrants. Participants' accounts indicate that they are typically herded into low-skill jobs. This might soon include MLM, as I attended a recruiting presentation by an MLM group at one such centre in the GTA. Despite government funding, these centres seem to operate more as brokers that route skilled immigrants into employment as cheap labour, much like the agencies in Chicago documented by Peck and Theodore (1988). Key to the reform process should include providing immigrants with effective guidance to access resources in relation to the credentials that had in fact, assisted them in successfully navigating the FSWP processes. While various programs funded by the government exist, their success in mitigating the credential-employment inequity for immigrants is limited, as demonstrated by the Minister's data source discussed above vis-à-vis Susan's and other participants' experiences. During the writing of this dissertation, I visited three government sponsored Human Resources and Training Centres in two GTA cities and accessed information about the monthly programs of others in three other locations. As discussed above, one organized a seminar for newcomers and job seekers with a guest speaker from a MLM group. The one I attended (discussed in Chapter Five) was primarily attended by recent immigrants who had landed within less than one year. This clearly shows loopholes in the execution of

policy initiatives by government, which allows for the exploitation of hopeful immigrant jobseekers.

Prior to landing, newcomers should already be in possession of information and resources that they can contact once they arrive. These should be contained in the documents they receive that grant them the legal status as landed immigrants. This will provide knowledge of available resources and reduce misdirected or wasted resources, as in the case of Susan and other participants. Employers should also be given incentives, such as wage subsidies or tax breaks to employ new arrivals in positions that align with their credentials, which will allow them to gain the all-important Canadian experience. Considering that economic immigrants' credentials facilitated their acceptance into Canada, additional ways to combat the problem of a lack of recognition of their foreign credentials include government prohibitions on credential discrimination, just as exist for racism and other forms of discrimination. Operationally, organizations should be made to periodically (quarterly perhaps) report the number of new immigrant hires and their respective qualifications vis-vis the positions for which they were hired. Large organizations should also be given quotas for immigrant hires across all levels of their organizations. Reward for compliance and (financial) penalties for noncompliance should be used to incentivize compliance. Also, organizations should be encouraged to reach out to the various credential and equity agencies/groups that facilitate the evaluation of various foreign credentials. Ontario and British Columbia have robust processes and resources that could be harnessed by organizations as well.

In relation to MLM, there is urgent need for government oversight of MLM policies and promises. While attempts continue to be made to effectively regulate

companies operating in the gig and platform economy such as Uber, the MLM sector which is unique, but also similar in some ways, has not received similar attention. MLM has been allowed to self-monitor mostly through various local and international associations, which also carry out MLM advocacy. These include the Direct Sellers Associations (DSA), the World Federation of Direct Sellers Associations (WFDSA) and the Association of Network Marketing Professionals (ANMP). This has left many loopholes that continue to allow MMOs and their allied groups to exaggerate and stretch the truth about the potential outcomes of engaging in MLM work. The sheer unknown number of MMOs makes it a daunting task for government organizations and agencies (such as Industry Canada, RCMP, and Better Business Bureau), who seem to have given up on effective monitoring of the sector beyond attending to specific violations and customer complaints that do not address the fundamental issues of exploitation and misleading information about outcomes. This could be partly addressed through accessing the administrative and tax data of corporate and individual actors in the sector. This could possibly also provide data regarding the numbers of individual, immigrant actors in the system. The studies by Jeon et al. (2019) and Green et al. (2016) that aimed respectively to measure the gig economy and immigrant business ownership in Canada are cases in point that administrative data can be employed to provide a more detailed understanding of the sector. This presents research opportunities for scholars.

Clearly, MMOs and their MLM plans promise high levels of economic success, but do not provide a stable foundation for their worker-operatives to build upon. MMOs should not be allowed to set a commission level without oversight. Just as minimum

wage levels are subject to government regulation, MLM's commission per output levels should also be subject to government regulation, as MMOs. Currently, MMOs and their MLM plans seem to operate on a win-lose basis with their operatives who have no assurances of receiving any income at all. Also, MMOs should not be allowed to use the success and affluence of their top earners, who only account for 1% of independent business owners in MLM, as bait to lure people. The disclaimers on MMOs' websites that seem to qualify assertions about income potential are not sufficient. This is because these disclaimers are couched in terms that are negated by testimonials and rhetoric presented on the same websites and at MLM events. Instead, MMOs should be made responsible for the integrity of the promises by their affiliate MLM groups and chapters, and penalized (fined or have their licenses revoked) for exaggerations. These exaggerations have been variously captured by individuals, journalists (e.g. NBC's hidden cameras) and agencies such as Truth in Advertising, Inc. (TINA[12]). Such exaggerations were also witnessed during fieldwork.

While it is beyond the scope of this dissertation, there remains an urgent need to address the burgeoning conditions of precarious work more broadly by employment law reforms to improve employment standards and their enforcement. As policies in place have clearly been less than effective, the various proposals raised by scholars and research groups such as Vosko et al. (2020), Weil (2014) and PEPSO (2018) among others, should be harnessed into policy reforms. Reforming MLM and improving the situation of recent immigrants will require a broader project of labour market reforms to eliminate or, at least in the interim, ameliorate the impact of precarious work. There is also an urgent need for an independent evaluation of the operations and assessment

criteria for government-funded career and human resource/employment centres to revamp their efficiency in facilitating effective integration of educated immigrants in the formal sector.

For Canada, the plight of immigrants and the emphasis on ethnic linkages should be a cause for concern particularly as scholars variously claim that marginalized immigrants tend to engage more actively in transnational activities as a way of alleviating or balancing their sense of rejection, disappointment, and alienation within the prevailing economic and social circumstances in their host country. The sense of isolation and absence of effective integration may eventually breed some feelings of ambivalence towards Canada at best, and non-identification and hostility at worst. Immigrant integration needs to be strengthened in genuine ways, which at the very least requires that newcomers be assured of acceptance through the recognition of their credentials and through the creation of jobs for incoming professionals. Recruitment of skilled immigrants should be tailored to labour market demands so that incoming immigrants are not left in the lurch. Those already here should be absorbed into the system. These would help them feel more welcomed, truly integrated, and committed to Canada as a country. It would also prevent the waste of skills, credentials, and talent.

In conclusion, MLM's robust system of justification clearly sustains its legitimacy and explains its resilience in spite of its many contradictions. Indeed, like capitalism, MLM can be said to have its own 'spirit', which incorporates (at least rhetorically) general principles of material progress, effectiveness, and efficiency based on the satisfaction of needs compatible with liberal, capitalist economies. Through this spirit, the MLM system continues to silence or weaken critiques to the extent that no dominant

critique has emerged to significantly impact its operation. This is because responses to emergent critiques using one order of evaluation against the other are embedded within the logic and operations of MLM in ways that align with democratic principles of equality and liberty, self-interest, and the 'Canadian Dream'. MLM's rhetoric presents the system as "a fairer method of wealth distribution than traditional marketing" or employment (Kong 2002:52). As demonstrated in this dissertation, MLM has continued to hold fast to this principle despite reports and participant experiences of poor earnings. MLM has expanded and has remained consistent in its ideology and operations, responding only to technological advancements for improved efficiency, expansion, and capital appropriation. MLM attracts immigrants because they can identify with its promise of "a better life", which is the motivation for their relocation, but which seems bleak given their lack of access to good jobs in the formal labour market. MLM speaks to that desire for a better future. It provides both community and a source of hope, helping immigrants bear the disappointments of their realities, but ultimately sustaining and strengthening the capitalist system of which it is a part.

Notes

[1] Though specific income declarations were not obtained from participants, three medium/medium-high leaders were participant-operatives. Their levels in their MLM organizations and conversations with them indicated more revenue generation (see Chapter Three and Four) than the bulk of the participants-operatives. Whether or not this is commensurate with their material and immaterial inputs cannot be ascertained or inferred.

[2] Specifically, a couple of them gained access to their good 'office jobs' through linkages outside of their immediate networks.

[3] Annual Report to Parliament on Immigration 2019. https://www.canada.ca/content/dam/ircc/migration/ircc/english/pdf/pub/annual-report-2019.pdf

[4] This relates to democratic principles of equality and liberty that foster success through hard work. It does not indicate that participants consider Canada as merely a clone of US. It is noted in Chapter Four that participants expressed preference of Canada over the US as their destination point for their move. Among the reasons given for this preference include better healthcare and social security systems, more wholesome environment, easier entry process, more acceptance of immigrants etcetera.

[5] Gramsci's idea of hegemony tries to get at this – that capitalism has been resilient in part because it is able to adapt and incorporate its critiques. David Harvey also writes about capitalism always adjusting through 'fixes'. This is a much broader point and is not taken up in this dissertation beyond relevant references to Weber and Boltanski and Chiapello being discussed.
[6] Interestingly, at events, circular arguments used to promote an action or affirm a claim may contradict earlier ones that affirm different actions or claims even by the same individual. For example, the need for single-mindedness in the pursuit of wealth and the distinctive opulent lifestyle supposedly available through MLM in the logics of fame and market requires operatives to sever relationships with people who oppose MLM. This compromises aspects of the civic and domestic values against self-interest. Nevertheless, notions of liberty and philanthropy reintroduces generosity and empathy (domestic, inspirational) which, in that rhetorical moment, promotes the required action that continues to affirm MLM.
[7] MMOs reserve the right to change the performance-reward structure without consulting their independent sellers. For example, all MMOs have required minimum activity levels that operatives must maintain. For example Pampered Chef mandates minimum $360 sales output over three months. Failure to meet this results in being declared inactive and loss of downlines. The operative will have to reapply for reinstatement but is not guaranteed return of lost downlines.
[8] It is noteworthy that the level of engagement that is "sufficient" and approvingly considered "serious" is contextually fluid – very much so. Specifically, it is measured by outcome identified by consistent cumulative uptick in sales and revenue. This is moderated by the availability of recruited pliable (superstar) downlines that remain committed. Thus without the ultimate uptick in sales, however frenetic the pace from participating in prescribed activities and ascetic lifestyle, the self-deprecatory verdict remains insufficient commitment and seriousness. This becomes a lose-lose situation for operatives every time and win-win for MMOs and their Alphas as indicated in Chapter 3.
[9] Check Lahouaria's commentary on the 2016 census as per Notes #11 in chapter 1
[10] Annual Report to Parliament on Immigration 2019:8-
https://www.canada.ca/content/dam/ircc/migration/ircc/english/pdf/pub/annual-report-2019.pdf
[11] Ibid
[12] https://www.truthinadvertising.org/

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APPENDICES

Appendix A – Interview Guide

Interview Guide

The following is a draft of potential questions and themes for discussions. Modifications will be ongoing as required.

Demographics/Background: How long have you been in Canada? Specifically, what year did you land/arrive in Canada? From what country did you come? Was that your birth country? What was your status when you arrived? Did you arrive as a visitor, student, landed immigrant, refugee or to join your partner or relatives? Probe nature of sponsorship - i.e. independent, family reunification? What was your: marital status, family size/situation when you landed? And what is your marital status/family size/situation now? Could you please tell me why you decided to move to Canada? How did you organize it? And what has been your experience since you came? Probe: what was is it like being a newcomer? And what has been your experience as an immigrant? Has moving to Canada affected you and your relationships in any way? How? Why is that? And what about your present relationships now? How? Also would you say that you have changed in any way since moving to Canada? In what ways (probe personality changes)? What would you say is responsible for these changes (in relationships, personality)? Do you still maintain ties outside Canada? Why/how? Why did you choose to move to Canada? What were your expectations about Canada and your move? How did you come about these expectations? Have your expectations changed or they are still the same now? In what way changed/same? What is different? What led to these changes in expectations?

Individual Characteristics/ Perceptions of Deprivations or Precariousness: -

Generally, what do you think about life in Canada? What would say about your life in Canada so far? What were the challenges you had when you arrived in Canada? How did you manage them? In general, how satisfied are you about your move to Canada? In what ways are you satisfied or dissatisfied? Probe level of satisfaction with quality of life in Canada vs. birth country? Do you feel you have control over your life? How? What about before? Do you feel any loss of control over your own life, work, and family? How? Why do you think this is so? Have you had any help in dealing with issues that confront you here in Canada? What help did you received? Probe source of this help? How effective was it? In your opinion, would you say life in Canada is worse or better than back in your birth country? In what ways better/worse? Please explain? Overall, how do you feel about living in Canada? And what are your feelings towards Canada itself? What would you say are your aims and aspirations as a Canadian? Is there anything that could make it impossible or difficult? How do you plan to overcome these challenges? Please explain what your personal meaning of success is. How would you personally describe the absence of success in a person's life? What could be responsible for this? How could a person bring about success?

Labour Market Experience: Now let's talk about your work experience in Canada? What did you plan to do when you were coming? How has it been? Did it meet with your expectations? In what way did it meet (or not meet) with your expectations? Still talking about your work experiences, please discuss your feelings about your job experiences and conditions? Is it the same as in your native country? How? Please explain. On

landing, please describe your job search efforts. How did you get the job? How long after you came to Canada before you started working? Please describe your satisfaction and dissatisfaction with your current job? What are your future aspirations and plans for improvements on your present job?

MLM Work:

Recruitment and Motivations: When did you first hear about MLM? Probe source of knowledge. How did you get into MLM work? Probe specific source(s) and method of recruitment. What was your immediate response? Please describe in detail how you became part of MLM from the moment you learnt about it? Which organization was it? Why this organization? Was this the only organization open to you? What were the other options? Please describe what exactly made you choose work in MLM? What process(es) did you follow to join/stay/leave? So what do/did you do in MLM? What about your regular job? Once you joined, how were you able to meet your obligations in MLM, family? Did this have any effect on your life at all? What/How? How does working in MLM make you feel towards Canada? How has your family helped you in MLM? Have you also brought other people into MLM? How? Why? Did you know them before? Have you brought people you did not know before into MLM?

Satisfaction: What is it like in MLM? Would you say your main reason for joining has been met? How? Why/why not? If not, will it be met? How/how not? Is there anything that could delay meeting your goal? What? How do you plan to tackle this? In your own opinion, what would you say are the benefits you have experienced from joining MLM (probe details/parameters for assessing benefits)? What difference would you say MLM

has made to your life? Your family? How do you perceive your life without MLM? Would it be better or worse? In what way is it better/worse?

Community/Networks: Now let's talk about your relationships in MLM. Please describe your relationship with other people in MLM? How did you establish relationships with them? Did you know all or some of them before you joined MLM? How well did you (do you) know them? Are there some people you knew before joining MLM that are in MLM with you? What about those you knew before that are not in MLM? Why are they not in MLM? What difference has MLM made to your relationships – family members etc.? [Overall how would you say MLM has affected your relationships? For example, has joining MLM improved your relationships with those with you in MLM and those not in MLM?] Do you have more friends in MLM or outside MLM? Why is that? If not, why? Has there been any conflict with people in MLM or outside MLM? Please describe this and how you managed and handled it?

Commitment: Now that you are in MLM, what do you do – please describe your regular activities (daily, weekly etc.) there? What are your responsibilities in MLM? Are they too much/little/or okay? Please explain. Would you describe MLM as a job? Please explain. How would you compare these to responsibilities in other jobs with fixed wages and salaries? If you did not join MLM, what do you see yourself doing instead? Why? Would you say that MLM work is same as working in regular employment? Please explain why?

Setting Up/Normalization/ Survival/Challenges: Would you say MLM work is a way of life for you now? How? Why? Would you say the same thing for regular job? Why/why not? People say that to succeed in MLM, one must know many people and have a large network of people, is this true? Why? How can this be achieved? How do you do this? Have you been successful? What are the challenges you face as you do this? How do you manage these? Would you say people in MLM face the same challenges that people face in regular job/employment? Please explain? Do you make more money in MLM than you would have made if you were working in regular employment? Why/why not?

Daily Activity/Time Use: Let's discuss the specifics of the time you spend doing MLM work: How do you set apart time for MLM work? How? Is there any time that you don't (refuse to) do MLM work? When? Why? Approximately how much time do you spend doing MLM activities (daily, weekly). What takes up most of your time in MLM? What about time spent on other activities etc.

Appendix B1 – Summary of Interviews (Demographics)

Demographics	Proposed	Achieved
Total# of Interviews	25	28

Population

1st Generation. Immigrant	25	21
"2nd Generation" Immigrants – foreign-born	N/A*	3
Canadian-born	N/A	4

Relationship to MLM

Active Practitioners	14	17
Inactive Practitioners	6	7
Non- Practitioner	5	4

# of Years Landed

1-5	N/A	2
6-10	N/A	4
11-20	N/A	7
20+**	N/A	11

Education

College/University Education	25	24
High School Diploma / Trade Certificates	N/A	4

Demographics	Proposed	Achieved
Gender		
Male	N/A	7
Female	N/A	21
Age		
25-54yrs	25	25
55yrs +	N/A	3
Marital Status		
Married	N/A	24
Single/Widowed/Divorced	N/A	4
# of Years in MLM		
1-5 Years	N/A	8
6 - 10 Years	N/A	11
Over 10 Years	N/A	6
In-depth Interviews Location & Type		
Face-to-Face in-home (Respondents)	N/A	8
Face-to-Face in-Fast-Food Restaurant/Coffee Shop	N/A	15
Phone	N/A	4
Skype	NA	1

* Not part of specification/Unspecified in the proposal
** Includes those who came as children (17years and under)

Appendix B2 – Summary of Some Participant Characteristics

Pseudonym	# of Years in MLM (Years)	Gender (M/F)	Age (Years)	Length of Time in Canada	Education - Field
Angie**	4	F	40s	8	Masters - Public Admin, PGD-HR
Charity	6	F	38	9	Bachelors – Languages, PGD- Aeronautics Technology
Drake	3	M	25-29	10	Bachelors - Psychology
Elaine	N/A	F	40s	10+	Bachelors - Graphics Design; PGD– Comp Sc
Evett**	7	F	50	10+	PhD -Physics, MBA
Heather	6	F	45	NA	High Sch. Diploma
Joseph	1	M	36	5	Masters Mech Engineering
Joyce	6	F	35	8	Masters – Education; PGD - Computer Science
Jackie	6	F	35-40	10+	PhD - Mathematics
Lisa	25	F	55+	NA	High School - Health Care Certificate
Martha	15	F	50	10+	Masters - Social Work
Monica	6	F	50	10+	Chartered Accountant
Mary	11	F	41	10+	Masters -Education
Maryam	1-2	F	25	10	Diploma Aesthetics
Olivia	5	F	40	NA	Masters - Finance, MBA
Patience	3	F	36	10+	Accounting, MBA
Oliver**	8	M	55+	10+	Masters – Management; MBA
Patrick**	10	M	54	10+	BSc Computer Science
Philomena	N/A	F	38	10+	B.A. LLB Law
*Roger & *June	11 9	M F	30+ 28	10+ N/A	Bachelors- Econ; MBA High Sch./Some College
Rose	N/A	F	29	10+	Masters Bus. Admin
Samson**	7	M	45	10+	Masters - Finance
Seth	6	M	54	10+	Masters - Engineering
Shane	11	F	53	10+	Masters - Economics
Sharice**	12	F	47	10+	Bachelors – Computer Science, PGD
Susan	NA	F	40	5	Bachelors -Accounting, PGD - Accounting
Shirley	2	F	38	8	Masters – Public Admin; Management; PGD - HR
Veronica**	6	F	40s	10+	Masters – Finance, Accounting

* Interviewed together as a couple.

**Possess additional professional certification.

Informed Consent Form

Study Name: *In Search of Dignity: In Search of Dignity: The Immigrant "Entrepreneur" and the Flexible Employment of Multilevel Marketing*

Researchers: Gloria Adagbon, Doctoral Candidate in Sociology, York University

Purpose of The Research: For my doctoral dissertation in Sociology at York University I am exploring employment in the service, sales and marketing sectors. I will like to interview anyone working in these sectors and those who work in direct marketing/selling as independent business persons about their experiences and how/why they chose to work where they are now.

What You Will Be Asked to do In the Research: I will like to have an informal discussion with you if you are willing to participate. Our discussion will take about 11/2 - 3 hours and will also include discussions on your expectations prior to working here, your level of satisfaction, work activities and so on.

Confidentiality: Confidentiality will be provided to the fullest extent possible by law. I shall be taking notes as we discuss but will not have your name or any details that could identify you in any way on these notes or in the final write-ups for my dissertation. I will be combining my discussion with you with those of other participants in my final write-up. For the purpose of this interview, I will use an assumed name for you just so you cannot be identified. Also, to make our discussion quicker and easier, I will like to use a recorder with your permission. I assure you that this recording will be available only to me so that I can listen and transcribe it later in case I miss anything. Together with my notes, it will be kept under lock by me in my home study, when I am not working on it and will be destroyed after the defense and approval of my dissertation. While the notes/transcripts will be shredded in a shredding machine the audio recording will be erased.

Risks and discomforts: There is no risk or harm to you related to your participation in this study which is being conducted under the strict supervision of the university and its rules on ethical practices which aims to protect participants from any harm or risks related to their participating in research. Participants are primarily chosen based on their knowledge and linkage to service/sales/marketing and where applicable, if they have worked in direct selling/marketing.

Benefits of The Research and Benefits to You: The findings from this research will improve general understanding of work experiences of immigrants when they come into Canada. I expect that eventually, it may inform future policy modifications on integrating

immigrants into Canadian society. For you, the benefit will be in the satisfaction and knowledge that you made a difference by participating in the production of knowledge that will benefit the larger society.

Voluntary Participation/Withdrawal from The Study: Your participation in the study is completely voluntary and you may choose to stop participating at any time. Your decision not to volunteer will not influence the relationship you may have with me or persons associated with this study or the nature of your relationship with York University either now, or in the future.

You can also stop participating in the study at any time, for any reason, if you so decide. Your decision to stop participating, or to refuse to answer particular questions, will not affect your relationship with me, York University, or any other person associated with this project. In the event you withdraw from the study, all associated data collected will be immediately destroyed if you wish it so

Questions about the Research? This research has been reviewed and approved by the Human Participants Review Sub-Committee, York University's Ethics Review Board and conforms to the standards of the Canadian Tri-Council Research Ethics guidelines. If you have any questions about this process, or about your rights as a participant in the study, you may contact the Senior Manager and Policy Advisor for the Office of Research Ethics, York University.

Legal Rights and Signatures: I ……. consent to participate in the project titled "In Search of Dignity: The Immigrant "Entrepreneur" and the Flexible Employment of Multilevel Marketing" being conducted by Gloria Adagbon I have understood the nature of this project and wish to participate. I am not waiving any of my legal rights by signing this form. My signature below indicates my consent.

_____ _____

Signature of Participant Date

_____ _____

Name of Participant Signature of Researcher

Note: two copies will be signed – one for my records and one for yours.

Appendix D – Examples of Product and Service-based MMOs

The following is an overview of a few of the product and service-based multilevel organizations (MMOs) mentioned by participants. While some of these have been around for over fifty years, others are more recent. Most have also featured recently in DSN's (Direct Sellers News[1]) Global 100 list of top direct selling companies in the world. It is worth mentioning that the MMOs discussed below do not represent the complete list of all MMOs mentioned by participants as aware of, tried or currently engaged in. Similarly, not every MMO whose events I observed is in the list below. I also did not attend events associated with all of these MMOs. Besides direct marketing, one element common to all MMOs that is emphasized in all their meetings and moreso on their websites is the nurturing of their images as socially responsible organizations. This is notable in their emphasis on their philanthropic activities and contributions to various causes and organizations within the lager society. This is part of the attempt to humanize, normalize and enhance the sector's legitimacy.

1. AVON PRODUCTS[2]: Founded in 1886 by David H. McConnell who was a travelling book salesman, Avon is the oldest MMO in the multi-billion dollar MLM sector. In 1886, direct marketing was radical not just in terms of concept but especially in providing employment for women who in turn, embraced it. Hence, Avon credits itself as having a pioneering history of championing women. Providing women the opportunity to use, sell and earn income from cosmetics without compromising their traditional social roles in the domestic front was empowering in patriarchal 1886[3]. Avon's website[4] claimed that the founding of the company provided an opportunity for women to earn and learn and

have economic freedom to shape their own future. The company also claims that over the 135 years of their existence they continue to use the power of beauty to transform women's lives for the better by pioneering listening to their needs, speaking out in support of their endeavours and standing for what matters to them. Avon continues this by its contemporaneous contributions and support for issues around breast cancer.

Avon operates both single-level and multi-level compensation systems. On its single tier, Avon has representatives who simply work at acquiring customers to increase their sales and earnings. For these individuals, the more orders they generate from customers, the higher the wholesale discounts they get from the company, the higher their mark-ups and profits. Those on the multilevel tier are usually qualified as Beauty Advisers. These are the independent business owners who earn income on their own sales volumes as well as on those from their recruits[5]. Nevertheless, Avon operatives can move from one tier to the other depending on changes in their life circumstances. Avon claims to have a network of approximately 5 million sales representatives across 50 countries. In general however, although a few participants had experimented with selling Avon products, only one currently does.

Interestingly, While Avon MLM operatives are rewarded on the composite sales of their recruits, Avon seems to inspire less aggressive commitment to acquire recruits. This may be partly due to the company's almost equal emphasis on both SLM and MLM as well as their somewhat stronger stress on earning extra income than on amassing wealth. Hence, Avon representatives tend to be less interested in recruiting than in building their customer base. The demography of Avon operatives seem to trend

somewhat more to older folks or those preoccupied with their care-giving duties[1]. As such, they may not have sufficient time or energy for more aggressive business building. Some participants claimed to have either tried or considered being Avon representatives before settling for their current MLM organizations. Their reason for not settling for Avon was because they felt they could earn more income through leveraging the efforts of their teams.

In 2015, Avon International Incorporated divested its North American (United States and Puerto Rico and Canada) holding which became a new legal private [6]entity called New Avon LLC[7]. The main company is headquartered in the UK. Both represent Avon products and its principles. The new Avon company exhibits the typical emphasis of and characteristics of contemporary MMOs and their on financial independence. Avon does not share information on the average earnings of its representatives.

AMWAY[8]: Founded in 1959 Amway is easily the world's largest direct selling organization with $8.8 billion and $8.4 billion reported sales in 2018 and 2019 respectively. It also ranked as #44 on Forbes list[9] of America's largest private company. For seven consecutive years, it ranked #1 in Direct Sellers News Global 100[10] top revenue-generating direct selling companies in the world. With its headquarter in Michigan, Amway manufactures and distributes nutrition, beauty, personal care and home products sold in 100 countries <u>exclusively</u> through Amway Independent Business Owners (IBOs). Amway claims to have millions of Amway Independent Business Owners and more than 19,000 employees worldwide. Individuals become IBOs with a

[1] This is based on exploring their websites, anecdotal accounts and attending two meetings.

$55 registration fee and maintain their membership with annual renewal fee of $67[11]. IBOs earn income through (a) retail margin from every Amway™ product sold; (b) bonuses calculated from the *IBOs business growth*[12]; and (c) Incentives reward as IBOs ascend up the hierarchy. Stages of ascending up the hierarchy are key business milestones with different levels of perks (incentives). Amway has a portfolio of 450 nutrition (50% of 2017 sales), beauty (26% of 2017 sales) and homecare products (22% of 2017 sales).

In the 1970s through the 1980s, Amway was beleaguered by scandals and accusations that among other things, the company misrepresented the profitability of its distributorship and that it operated a pyramid scheme. The landmark[13] case between US FTC and Amway in 1975-1979 resulted in FTC absolving Amway of the charge and stigma of operating a pyramid scheme but mandated guidelines to make its MLM operations more transparent.

Amway does not provide a detail income disclosure of earnings by its IBOs online. It however provides information on the affluence of its high grossing operatives known by names of precious stones (ruby, diamond etc,). The summary of IBO earnings provided on its website simply states that:

> **"**The average monthly Gross Income for "active" IBOs was $207. Approximately 48% of all IBOs were "active. IBOs were considered "active" when they attempted to make a retail sale, or presented the Amway IBO Compensation Plan, or received bonus money, or attended an Amway or IBO meeting. If someone sustained that level of activity every month for a whole year, their annualized income would be $2,484. Of course, not every IBO chooses to be active every month. "Gross Income" means the amount received from retail sales, minus the cost of goods sold, plus monthly bonuses and cash incentives. It excludes all annual bonuses and cash incentives and all non-cash awards, which may be significant. There may also be significant business expenses, mostly

discretionary, that may be greater in relation to income in the first years of operation"[14].

MARY KAY INC.[15]: Founded 57 years ago in 1963 by Mary Kay Ash and based in Texas, United States, Mary Kay manufactures and sells cosmetics and skincare products through independent business owners called Consultants. It ranked as #6 in DSN's Global 100 high revenue MLM companies. Mary Kay Inc. positions itself as a company for women by women. It has close to four million salesperson called beauty consultants worldwide, a revenue of US$3.6 billion in 2019 and was #123 on Forbes list[16] of America's largest private companies. Individuals register to become beauty consultants with the purchase of a $100 starter kit. Effective high grossing top beauty consultants have various incentives such as cash, jewellery and vehicles including the famous pink Cadillac[17] as they move up the hierarchy.

The company has also been trailed by litigations and controversies ranging from accusations about it being a pyramid scheme, to criticisms that its beauty consultants do not earn income commensurate with their efforts. Like other MMOs of equivalent reputation and size, Mary Kay continues to thrive despite controversies and litigations.

The following average earning disclosure covers January 1, 2019 to December 31, 2019

Level	Average Annual Commissions	% of Independent Sales Force	Average Time to Position
Independent National Sales Director	$124,072	0.050%	15 years
Independent Sales Director	$20,137	1.675%	4 years
Commission Eligible Independent Beauty Consultant	$206	15.138%	

Independent Beauty Consultants who are not eligible to earn commissions	$0	83.137%	

*This chart does not include profits realized from personal retail sales, nor does it take into account business or other related expenses.

"Beauty Consultants who reach the status of Mary Kay Independent Sales Director or higher can also earn the use of a Mary Kay career car (or cash in lieu) or incentive travel. As of December 31, 2019, 62% of the 485 Independent Sales Directors and Independent National Sales Directors participated in the Career Car Program and 42% attended an incentive trip"[18].

HERBALIFE[19]: Despite being established in 1980, Herbalife has grown into a global MMO with an extensive array of nutritional supplements, weight-management, personal-care and wellness products. With its headquarters in California and presence in approximately 94 markets, the company's spectacular growth is evidenced by the continuing rise of its stock value and its ranking in 2019 as #2 on DSN's Global 100 MMOs - only behind Amway that has over two decades advantage in the MLM sector. In 2019 Herbalife's earning was $4.90 billion vis-à-vis Amway's $8.4 billion[20].

In principle, Herbalife operates both SLM and MLM tiers but emphasis is on MLM. Herbalife has a network of almost a million distributors who market and sell its products. Individuals become independent Herbalife distributors with a registration fee of $127.59 CAD that entitles the new recruit to an initial starter kit and a 25% discount on products. Distributors have to renew their registration annually with $107.12 CAD. The distributor earns income from the difference between the wholesale price and the retail price. The percentage of wholesale discount for distributors increases exponentially with increases in volume purchase up to 50%. This encourages

distributors to stockpile inventory that they are unable to sell. Notably, Herbalife and its distributors have effectively harnessed MLM rhetoric and principles to amass a large network of independent distributors to attain their own American dream story embodied by its founder's remarkable success. Their conferences are glitzy affairs that have been captured by journalists' hidden cameras.

The company's meteoric success has however been accompanied by negative publicity from FTC's (Federal Trade Commission) investigations and litigations from some of its distributors and business allies. Indeed, more than any other MLM company in recent times, Herbalife has come under the most scrutiny by the FTC based on reports of unscrupulous business claims and practices that positioned it potentially as a pyramid scheme. A major criticism is that its sales method rewards some people for recruiting new distributors than for selling products and that recruits are made to order large inventory to maintain their status. For example, in 2014, the U.S. Federal Trade Commission opened a probe into Herbalife following allegations that the company was effectively a fraudulent pyramid scheme. The investigations by the FTC over two years revealed that an overwhelming majority of the company's distributors earn little or no money – which is the classic condition of MLM operatives. The 2016 ruling required the company to pay $200 million and to change the way it operates. Among the required changes is that distributors be rewarded based on their retail sales rather than for recruiting new distributors.

While no recent income disclosure of its distributors is available, the one provided for 2012 (see below) shows abysmal returns for its workers. Nevertheless, like

all MMOs, the company still tries to justify the poor earnings with the impression that other rewards that accrued to their distributors were not included.

Average Payments from Herbalife	Number of Distributors	% of Total Grouping	Average Gross Payments	
>$250,00	194	0.2%	$724,030	**This chart does not include amounts earned by Distributors on their sales of Herbalife products to others**
$100,01-$250,00	452	0.5%	$148,808	
$50,01-$100,00	539	0.7%	$68,912	
$25,01-$50,00	1,136	1.4%	$35,581	
$10,01-$25,00	1,940	2.4%	$15,538	
$5,001-$10,00	2,552	3.1%	$7,008	
$1,001-$5,00	11,307	13.7%	$2,216	
$1-$100,00	39,151	47.5%	$292	
0	25,193	30.6%	$0	
Total	82,464	100.0%	$4,485	

> "51.0% of all sales leaders as of February 1st, 2011, requalified by February 1st, 2012 (including 33.5% of first time sales leaders) The majority of those Distributors who earned in excess of $100,000 in 2012 had reached the level of Herbalife's President's Team. During 2012, 47 U.S. Distributors joined the level of President's Team. They averaged 9 years as an Herbalife Distributor before reaching President's Team, with the longest being 20 years and the shortest being less than three years. (1) Based on a Distributor research survey conducted by Lieberman Research Worldwide, January 2013, with a margin of error of +/- 3.7%".
>
> Published Date: 02/21/13[21]

TUPPERWARE CORPORATION[22]: The Tupperware brand is built around the image of female empowerment. A creation of the chemist, Earl Tupper in 1946, Brownie Wise, an experience salesperson however rendered it a profitable and global brand by marketing and selling the brand through women. This capitalized on the earning limitations provided by women's social role and provided women the opportunity to earn income without compromising their domestic responsibilities. For example, one of the top

earning independent business owner on their website claimed “I built this whole business around my son’s napping schedule”[23]. Focused on women, the notion of work-life balance seems to resonate more with this brand than in most other MLM brands who also offer the same value. On their website the claim is that: “*With Tupperware, you control your time, priorities and earnings, so you can build a business that fits your life*.” As one of the earliest users of the direct selling retail channel to market and distribute its products to consumers, the brand is particularly known for its party model wherein individuals hosts fun-filled and cosy parties to sell Tupperware line of products to party attendees. Tupperware has incorporated technology and social media into its party model into the 21st century with both in-home and virtual parties online. Individuals can join Tupperware by purchasing a virtual kit $15, $60 for a Basic Demo kit or $109 for the Deluxe Demo Kit and $6 monthly subscription fee for their Pro website. Like any other MLM, they have minimum levels of purchases to be considered active[24]. In 2019, Tupperware ranked #8 on the DNS 100 Global with a revenue of $1.80 billion. The brand operates both single-level and MLM compensation plans and has 2.9 million Tupperware sales force[25]. Though it is headquartered is in Florida, USA, the brand is sold in over 100 countries.

Its 2017 income disclosure of its consultants shown[26] below similarly reveal the same poor outcome. Similar to others, the company also attempted to justify and present itself as inconclusive.

CAREER LEVEL	NUMBER OF PARTICIPANTS	PERCENT OF ACTIVE PARTICIPANTS	PERCENT OF PARTICIPANTS	AVERAGE EARNINGS PER PARTICIPANT *(during Jan. 2017–Dec. 2017)*
INACTIVE CONSULTANT	21,322		47.88%	$26.39
CONSULTANT	21,843	94.09%	49.04%	$653.63
MANAGER	795	3.42%	1.79%	$3,822.93
STAR MANAGERS	212	0.91%	0.48%	$5,949.87
EXECUTIVE MANAGER	85	0.37%	0.19%	$9,977.61
DIRECTOR	153	0.66%	0.34%	$20,161.42
STAR DIRECTOR	77	0.33%	0.17%	$31,521.26
2 STAR DIRECTOR	20	0.08%	0.04%	$54,773.06
3 STAR DIRECTOR	25	0.11%	0.06%	$98,706.15
5 STAR DIRECTOR	4	0.02%	0.01%	$130,958.02
EXECUTIVE DIRECTOR	2	0.01%	0.01%	$499,187.79

†Inactive Consultants are those participants that have earned some commissions from the sale of products but have not achieved a minimum of $500 in personal retail sales within a four-month period during January 2017–December 2017.

††Participants are considered 'Active' if they have achieved a minimum of $500 in personal retail sales during a four-month period between January 2017–December 2017. Consultants, Managers, Star Managers, Executive Managers, Directors, Star Directors, 2 Star Directors, 3 Star Directors, 5 Star Director s and Executive Directors, as shown here, were all 'Active.'

Note: The earnings information shown here is for all Tupperware Canada Sales Force Members who either earned profit or commission or both during January 2017–December 2017. ***The earnings in this chart are not necessarily representative of the income, if any, that a participant can or will earn through his/her participation****.* ***Earnings information provided is for illustration purposes only and should not be relied on as a projection of your future earnings or profits****. Any representation or guarantee of earnings would be misleading.* ***Success with Tupperware results depends on each individual participant's skills and personal efforts****.*

PAMPERED CHEF*[27]:* This MMO was founded in 1980 by Doris Christopher who was an educator, home economist and a mother. Her aim was to develop professional-quality kitchen tools in regular kitchens. Using her talent as an educator and knowledge of food preparations, she invented a range of what she calls home-essential tools which she promoted under the Pampered Chef brand name through in-home Kitchen demonstrations. To keep up with her instant success, she started recruiting and training representatives known as Pampered Chef Kitchen Consultants. In 2002, the company was acquired by Berkshire Hathaway Inc.[28] She however remained the Chairperson and manager of the brand. Currently, the brand has over 700,000 consultants and the party model which remains the key method for marketing and generating sales has expanded beyond cosy in-home affairs into social media and online platforms as well as large in-person events. Individuals become consultants by registering and purchasing a kit for between $99 and $269 and annual fee of $20 that provides them access to a personalize website, training and other tools that help them build their businesses. Incentives, bonuses and commission levels are tailored to performance in terms of

sales volume. Though based on the MLM model, the emphasis seems to be more on making extra income than on obtaining the financial freedom offered by many other MMOs[29]. One of the participants who has been a consultant in this MMO for over 5 years claimed that although she does not make much money in it, she finds it a good side business. As usual, she blames her limited success on the insufficient time allocated to the business and non-aggressive recruiting. She conducts in-home and virtual parties on social media. The company last reported revenue was $500 million which earned it a ranking of #22 on DNS Global 100 direct marketing companies in 2012[30]. While the company has much to say about the freedom and rewards of running ones business as its consultant, it does not disclose actual earnings by its consultants – only potential earnings.

ARBONNE INTERNATIONAL INC[31]: Founded in 1980 Arbonne describes itself as a botanically based company focused on the holistic approach to healthy living to improve mind, body and skin. Its beauty, health and wellness products are 100% Vegan and cruelty-free. Its revenue of $544 million in 2018 earned it a ranking of #28 in DNS Global 100. With its headquarters in California, USA and offices in Canada, Australia, the United Kingdom, Poland and New Zealand, it has 566 employees and a network of approximately 321,600 Independent Consultants. Like other MMOs, its consultants earn income through (a)commissions on their own sales, (b) commissions called “overrides on team’s composite sales and (c) awards (trips, jewellery, vehicles etc) based on consultant’s team performance that moves her/him up the hierarchy. The most popular of these awards is the white Mercedes Benz awarded at the VP level. Individuals can

become independent consultants with $79.00 registration fee with an annual $30 renewal fee[32]. While not mandatory, new consultants however need to buy their own starter kits to launch their independent businesses. On its website[33], with accompanying testimonials, Arbonne invites individuals to:

> "join a community of life changers and own your life! …. How often are you offered the opportunity to earn commissions by selling products to family, friends, and clients, make a difference, and have fun all on your time? Imagine the opportunity to flourish by starting your own business. That's the beauty of our business model. So many of our Independent Consultants have done just that, and have transformed their lives ... themselves. …"

Sandwiched between the testimonials and the call to imagine the difference that being an Arbonne Consultant can make is the disclaimer that complies with FTC and DSA industry regulations. Akin to warnings on tobacco packs or commercials, it states:

> "*A typical Arbonne Independent Consultant (AIC) in the United States earned between $120–$502[34] in 2019 in earnings and commissions. The VP Success Award is available at the VP level; less than 2% of the AICs achieve this award. Please see earnings.arbonne.com". The results featured are not typical. Actual results will vary depending upon individual effort, time, skills, and resources. Arbonne makes no guarantees regarding earnings[35]."*

So in classic MLM rhetoric, it ultimately boils down to individual efforts. Overall, Arbonne claimed to have paid more than $400 million in "Earnings" to Independent Consultants globally and $47 million in earnings in Canada and its territories in 2019. The following are the specifics.

> "A typical Arbonne Independent Consultant (AIC) in Canada, earned between $129–$523 in 2019 in earnings and commissions. The VP Success Award is available at the VP level; less than 2% of the AICs achieve this award. Please see: earnings.arbonne.com. The results featured are not typical. Actual results will vary depending upon individual effort, time, skills, and resources. Arbonne makes no guarantees regarding earnings"[36].

Level	Average Annual Earnings	Top 50 Average	Bottom 50 Average	Average % at Level	Average Time to Position
National Vice Presidents	$239,285	n/a	n/a	1%	53 Months
Regional Vice Presidents	$76,355	$112,988	$43,819	2%	33 Months
Area Managers	$19,799	$47,933	$5,719	7%	18 Months
District Managers	$4,224	$18,340	$243	24%	6 Months
Independent Consultants	$953	$7,522	$40	66%	n/a

*[37].

PRIMERICA FINANCIAL SERVICES[38]: Established in 1977, Primerica describe itself on its website[39] *as a*: *"Main Street company serving Main Street North America."* Claiming that the company's "*mission is to help families earn more income, become properly protected, debt free and financially independent*", it asks the question: "*Does this sound like a company you'd like to become involved with*?" These are the sort of rhetorical persuasions at MLM events.

Primerica markets and sells financial products and services such as term life insurance, mutual funds, variable annuities, auto and home insurance and provides, loans and other services across North America through its independent contractor representatives[40]. Headquartered in Georgia and with approximately 2,000 employees, Primerica has a 2016 revenue of $1.52 billion that earned it a ranking of #12 on DSN's Global 100 direct marketing companies. Like other MMOs, Primerica has also received criticisms for misrepresentation earnings that can be made as an independent business owner[41]. The compensation structure and operations are also seen to benefit

representatives at the apex of the pyramid at the expense of their downline recruits. Primerica however defended[42] itself with the claim that the company paid cash flow to its North American sales force at an average of $6,249 between January 1 and December 31, 2019[43].

Primerica's independent business owner representatives must however obtain required provincial licenses before they can sell and earn income from most of their financial products. Some participants claimed that the study necessary to pass the required licensing exams dissuaded them from choosing to be Primerica representatives. Individuals register to become representatives by completing the Independent Business Application (IBA) and paying a one-time fee of US$99 ($103.99 CAD). This merely provides the new recruit with limited access to Primerica Online (POL) which provides information on compensation and compliance matters. With monthly payments of US$25 ($28 CAD) however, the recruit is granted full access to the POL for tools and resources they require to grow their budding businesses. Recruits are sponsored by existing representatives who become their uplines. As part of its recruiting pitch, Primerica claims to *"help people from all walks of life live their dreams …on their own terms*[44]. It promises that whether the goal is to start a business or earn a little extra money part-time, Primerica offers the recruit "*the freedom to make your own decisions: Freedom from a job, Freedom from a boss, Freedom to be in business for yourself, Freedom to dream big*.[45]**"**

As a finance-based MMO, Primerica is curiously reticent about sharing the earnings of its consultants beyond the following:

> "From January 1 through December 31, 2019, Primerica paid cash flow to its North American sales force at an average of $6,249, which includes

> commissions paid on all lines of business to licensed representatives. Figures include U.S. and Canadian dollars remaining in the local currency earned by the representative, not adjusted for exchange rates[46]**."**

WFG (World Financial Group)[47]: Established in 2001, WFG provides diverse financial products and services such as insurance, retirement, savings, and wealth-building strategies across North America through its licensed independent agent entrepreneurs. Reiterating the usual MLM's concept of helping people on its website, the company calls its 46,232 life licensed agents across North America Entrepreneurs who are "*building businesses that address families' growing need for financial services*"[48]. Since its inception in 2001, the company noted that WFG's independent business owner licensed agents *"have **helped*** [emphasis added] *more than 4.6 million families prepare for a better future*". Contrasting traditional model of wage work with WFB's model of business ownership, the company reiterate, independence, cooperative team work and incredible earnings in WFG in contrast to subservience to the boss, competition from co-workers and fixed income decided by others[49]. With examples of earnings at each hierarchical level, the company showed the superiority of the WFG group's opportunity vis-à-vis conventional work model on one hand and on the other (competing) MLM opportunities. Below these assertions, however, are the usual fine print disclaimers artfully worded to put the responsibility for non-success on the individual. Nevertheless, WFG appears good at not revealing its finances as several hours of multiple internet searches yielded no data on the company's finances whatsoever. The only available revenue disclosure for the company is an $80 million revenue reported to the DSA revenue in 2010 which

earned WFG a ranking as #92 in its Global 100 ranking of direct marketing companies[50].

Individuals wishing to become WFG business owner agents have to be sponsored by an existing agent. After payment of $100 registration fee, the new recruit will need to purchase a WFG financial product from the sponsor as a sign of commitment, attend business trainings regularly and study to obtain the required licenses. There seemed to be some undivulged costs associated with being a business owner in WFG. Participants and informants associated with this organization were reluctant to disclose corporate financial commitments that accompany their work in WFG.

In its short existence, the company has had a fair share of indictments in the US and Canada for misrepresentations and fraudulent activities by some of its agents[51]. For example, 12 of its business owner agents at its branch in Mississauga, Canada were fined $865,000 for fraudulent and nonprofessional practices[52]. More than any other MMO however, in Canada, WFG's claims on its website of significant earnings by its business owner agents are bolder. Yet it does not share the specifics of actual earnings only of potential earning based on individual efforts.

ACN[53]: Founded in 1993, ACN describes itself as the world's largest direct seller of telecommunications, energy and essential services. Although its primarily market is in the United State, it operates in 27 other markets across North America, Latin America, Europe, Asia and the Pacific with 1,500 employees. A net revenue of $750 million in 2016 earned the MMO a ranking of #30 on the DSN Global 100 high revenue direct marketing companies. Its products, referred to as Essential Services, comprise energy

(gas and electricity), communications (wireless, home Phone, high speed internet, television), payment processing, security and automation. “The Circle of Champions” is the nomenclature for “the elite group of top producers and money earners” among ACN’s independent business owners (IBOs). Individuals become ACN’s IBOs with a one-time business start-up fee of $199 and a monthly $25 business Support Fee that include services such as business tracking/reporting system, personal websites, IBO chats and text messaging, conference calling, training materials, recognition programs, incentive-based trips etcetera.

The communication on their website reads like the persuasive rhetoric at MLM events. It invites individuals to register as their IBO with promises of recurring income for past work. A sample is as follows:

> “Residual Income in ACN: “Imagine getting paid like an actor or musician. Every time their movie or song is played, they earn a percentage, month after month, year after year. That’s residual income, and that’s how ACN’s IBOs get paid. Every time they acquire a customer, or someone on their team acquires a customer, and those customers pay their bills, the IBO gets paid, month after month, year after year for as long as the customer remains on the service or for the term of the agreement.[54]”

Yet it does not provide the specifics of earnings of its IBOs only of potential earnings.

NOTES

[1] DNS is a monthly DSA news magazine on the sector available online or for subscription.
[2] https://www.avonworldwide.com/ https://about.avon.com/us-about/home
[3] https://www.avonworldwide.com/about-us/our-story
[4] https://www.avonworldwide.com/about-us
[5] https://www.avonworldwide.com/avon-representative-beauty-entrepreneur
[6] https://about.avon.com/us-about/company/about
[7] https://about.avon.com/us-about/news/03152016-Statement-from-New-Avon-LLC; https://about.avon.com/us-about/news/12172015-Avon-And-Cerberus-Announce-A-605-Million-Strategic-Partnership-To-Drive-Avon-Shareholder-Value
[8] Website: http://www.amway.ca/; https://www.amwayglobal.com/
[9] https://www.forbes.com/companies/amway/?list=largest-private-companies&sh=1afe1284ec41

[10] https://www.amwayglobal.com/newsroom/amway-named-worlds-no-1-direct-selling-company-seventh-year-in-a-row/
[11]https://www.amway.ca/en_CA/start-a-business https://www.amway.ca/en_CA/Registration-Fee-p-401219
[12] Which means meeting the volume targets set by Amway
[13] https://www.ftc.gov/sites/default/files/documents/commission_decision_volumes/volume-93/ftc_volume_decision_93_january_-_june_1979pages_618-738.pdf ; https://www.worldofdirectselling.com/history-of-direct-sales-ftc-amway/
[14] (https://www.amway.com/en_US/income-disclosure. Accessed Nov 2020.
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[18] https://www.marykay.ca/en-ca/pages/earnings-representation Accessed November 2020
[19] https://www.herbalife.ca/; https://iamherbalifenutrition.com/business-opportunity/
[20] Notably, in 2018, Amway's earnings was $8.8 billion. So comparatively, while Amway's earning went down by $0.4 billion, Herbalife had a net growth of over 10% in 2018 and about 3% in 2019 (https://ir.herbalife.com/static-files/30be29aa-b48a-4405-aef4-cb022afbeb2a; https://ir.herbalife.com/static-files/8155864d-86df-4365-82c7-959a32fac511).
[21] https://opportunity.herbalife.com/Content/en-US/pdf/business-opportunity/StatementAverageCompensation2011EN.pdf Accessed November 2020.
[22] https://www.tupperware.com/about-us/?gclid=EAIaIQobChMIiLnotsnp7AIVD_DACh0dLgdrEAAYASACEgI18PD_BwE; https://www.tupperware.com/join-us/; https://www.directsellingnews.com/company-profiles/tupperware-brands-corp/
[23] https://www.tupperware.com/join-us/
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[26] Source: http://blog.tupperware.com/wp-content/uploads/2018/03/2018_Income_disclosure_CA.pdf Accessed November 5, 2020
[27] https://www.pamperedchef.com/
[28] https://www.berkshirehathaway.com/news/sep2302.html
[29] This of course is not to say that its consultants do not use that rhetoric as well. It is a much harder sell because, not being mass market products, they are more expensive.
[30] https://www.directsellingnews.com/company-profiles/the-pampered-chef-ltd/
[31] https://www.arbonne.com; https://www.arbonne.com/discover/index.shtml, https://embed.widencdn.net/pdf/plus/arbonne/blfho4zohx/9041_CA_ICES.pdf
[32] https://www.arbonne.com/pws/homeoffice/tabs/join-arbonne.aspx
[33] https://www.arbonne.com/discoverca/opportunity/compensation.shtml
[34] In Canada, it is slightly higher at between $129-$523. https://embed.widencdn.net/pdf/plus/arbonne/blfho4zohx/9041_CA_ICES.pdf
[35] https://www.arbonne.com/discoverca/opportunity/compensation.shtml
[36] Ibid https://embed.widencdn.net/pdf/plus/arbonne/blfho4zohx/9041_CA_ICES.pdf Accessed November 2020.
[37] Ibid
[38] http://www.primerica.com/public/; http://www.primerica.com/public/our-reps.html; https://www.truthinadvertising.org/primerica-income-claims-database/
[39] http://www.primericabusinessopportunity.com/public/businessopportunity/primerica-what-we-do-and-why.html
[40] http://www.primerica.com/public/our-reps.html
[41] https://www.truthinadvertising.org/primerica-income-claims-database/
[42] http://www.primericabusinessopportunity.com/public/primerica_disclosures.html

[43] This is deceptive because the average payout does not acknowledge outliers from both extremes of the declared average payout.
[44] http://www.primericacanada.ca/public/opportunity.html
[45] http://www.primericacanada.ca/public/opportunity.html
[46] [46] https://www.primericacanada.ca/public/primerica_disclosures.html Accessed November 2020
[47] https://www.worldfinancialgroup.com/solutions; https://www.worldfinancialgroup.com/opportunity#System
[48] https://www.worldfinancialgroup.com/our-story
[49] https://www.worldfinancialgroup.com/opportunity#System
[50] https://www.directsellingnews.com/company-profiles/world-financial-group/
[51] https://www.cbc.ca/news/canada/british-columbia/insurance-brokers-cheating-surrey-bc-world-financial-group-1.4508772; http://mfda.ca/notice-of-hearing/NOH201352/
[52] https://www.investmentexecutive.com/news/from-the-regulators/mfda-fines-12-former-wfg-securities-reps/
[53] https://acn.com/ca-en/home-services/wireless
[54] https://acn.com/ca-en/faqs/acn-canada/the-acn-opportunity